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*Commission on
State Mandates*

JOHN CHIANG
California State Controller

LATE FILING

October 3, 2014

Heather Halsey
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Re: **Notice of Complete Filing**
Incorrect Reduction Claim (IRC)
Notification of Truancy, 13-904133-I-12
Education Code Sections 48260 and 48260.5
Statutes 1983, Chapter 498
Fiscal Years: 2003-2004, 2004-2005, 2005-2006, and 2006-2007
Riverside Unified School District, Claimant

Dear Ms. Halsey:

The State Controller's Office is transmitting our response to the above-entitled IRC.

If you have any questions, please contact me by telephone at (916) 323-5849.

Sincerely,

JIM L. SPANO, Chief
Mandated Cost Audits Bureau
Division of Audits

**RESPONSE BY THE STATE CONTROLLER’S OFFICE
TO THE CONSOLIDATED INCORRECT REDUCTION CLAIMS (IRC)
FILED BY RIVERSIDE UNIFIED SCHOOL DISTRICT
Notification of Truancy Program**

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Note: References to Exhibits relate to the district’s IRCs as follows:

Revised IRC filed on November 15, 2013, IRC 13-904133-I-12

- Exhibit A – PDF page 12

Original IRC filed on November 1, 2010, IRC 10-904133-I-10

- Exhibit A – PDF page 34
- Exhibit B – PDF page 42
- Exhibit C – PDF page 49
- Exhibit D – PDF page 57
- Exhibit E – PDF page 81
- Exhibit F – PDF page 95
- Exhibit G – PDF page 98

Tab 1

1 **OFFICE OF THE STATE CONTROLLER**

300 Capitol Mall, Suite 1850

2 Sacramento, CA 94250

3 Telephone No.: (916) 445-6854

4 BEFORE THE

5 COMMISSION ON STATE MANDATES

6 STATE OF CALIFORNIA

9
10 CONSOLIDATED INCORRECT
REDUCTION CLAIMS ON:

11 *Notification of Truancy Program*

12 Chapter 498, Statutes of 1983, Chapter 1023,
13 Statutes of 1994, and Chapter 19,
Statutes of 1995

14 RIVERSIDE UNIFIED SCHOOL DISTRICT,

No.: CSM 10-904133-I-10 and
13-904133-I-12

AFFIDAVIT OF BUREAU CHIEF

15
16 I, Jim L. Spano, make the following declarations:

- 17 1) I am an employee of the State Controller's Office and am over the age of 18 years.
- 18 2) I am currently employed as a Bureau Chief, and have been so since April 21, 2000.
19 Before that, I was employed as an audit manager for two years and three months.
- 20 3) I am a California Certified Public Accountant (CPA).
- 21 4) I reviewed the work performed by the State Controller's Office (SCO) auditor.
- 22 5) Any attached copies of records are true copies of records, as provided by the Riverside
23 Unified School District or retained at our place of business.
- 24 6) The records include claims for reimbursement, along with any attached supporting
25 documentation, explanatory letters, or other documents relating to the above-entitled
Consolidated Incorrect Reduction Claims.

1 7) A field audit of the claims for fiscal year (FY) 2003-04, FY 2004-05, FY 2005-06, and
2 FY 2006-07 commenced on August 4, 2008, and ended with the issuance of the initial
final report on February 5, 2010, and revised final report on August 24, 2012.

3 I do declare that the above declarations are made under penalty of perjury and are true and
4 correct to the best of my knowledge, and that such knowledge is based on personal
5 observation, information, or belief.

6
7 Date: March 4, 2014

8 OFFICE OF THE STATE CONTROLLER

9
10 By: 

11 Jim L. Spano, Chief
12 Mandated Cost Audits Bureau
13 Division of Audits
14 State Controller's Office
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Tab 2

**STATE CONTROLLER'S OFFICE ANALYSIS AND RESPONSE
TO THE CONSOLIDATED INCORRECT REDUCTION CLAIMS FILED BY
RIVERSIDE UNIFIED SCHOOL DISTRICT
For Fiscal Year (FY) 2003-04, FY 2004-05, FY 2005-06, and FY 2006-07**

**Notification of Truancy Program
Chapter 498, Statutes of 1983, Chapter 1023, Statutes of 1994, and
Chapter 19, Statutes of 1995**

SUMMARY

The following is the State Controller's Office's (SCO) response to the Consolidated Incorrect Reduction Claims that the Riverside Unified School District filed originally on November 1, 2010, and revised on November 15, 2013. The SCO audited the district's claims for costs of the legislatively mandated Notification of Truancy Program for the period of July 1, 2003, through June 30, 2007. The SCO issued its final report on February 5, 2010 (**Exhibit D**). On August 24, 2012, the SCO revised the final audit report (**Exhibit A**) to allow partial reimbursement for the fiscal year (FY) 2006-07 notifications that the district distributed (Finding 3).

The district submitted reimbursement claims totaling \$985,881 (\$987,881 less a \$2,000 penalty for filing late claims)—\$244,101 for FY 2003-04 (\$245,101 less a \$1,000 penalty for filing a late claim), \$272,234 for FY 2004-05 (\$273,234 less a \$1,000 penalty for filing a late claim), \$243,123 for FY 2005-06, and \$226,423 for FY 2006-07 (**Exhibit G**). Subsequently, the SCO performed an audit for the period of July 1, 2003, through June 30, 2007, and determined that \$326,088 is unallowable. The revised final audit report reduced the unallowable total to \$127,968 after allowing partial reimbursement for FY 2006-07 initial notifications. Collectively, the costs are unallowable because the district claimed unsupported, non-reimbursable, and non-compliant initial truancy notifications. The district disagrees with the audit results for FY 2003-04 through FY 2006-07, as shown in Schedule 1 of our revised final audit report issued August 24, 2012 (**Exhibit A**). The following table summarizes the audit results:

<u>Cost Elements</u>	<u>Actual Costs Claimed</u>	<u>Allowable per Audit</u>	<u>Audit Adjustment</u>
<u>July 1, 2003, through June 30, 2004</u>			
Number of initial truancy notifications	17,943	15,501	(2,442)
Uniform cost allowance	× \$13.66	× \$13.66	× \$13.66
Total costs ¹	\$ 245,101	\$ 211,743	\$ (33,358)
Less late penalty	(1,000)	(1,000)	—
Total program costs	<u>\$ 244,101</u>	210,743	<u>\$ (33,358)</u>
Less amount paid by the State ²		(210,743)	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ —</u>	
<u>July 1, 2004, through June 30, 2005</u>			
Number of initial truancy notifications	19,134	16,431	(2,703)
Uniform cost allowance	× \$14.28	× \$14.28	× \$14.28
Total costs	\$ 273,234	\$ 234,635	\$ (38,599)
Less late penalty	(1,000)	(1,000)	—
Total program costs	<u>\$ 272,234</u>	233,635	<u>\$ (38,599)</u>
Less amount paid by the State ²		(233,635)	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ —</u>	

<u>Cost Elements</u>	<u>Actual Costs Claimed</u>	<u>Allowable per Audit</u>	<u>Audit Adjustment</u>
<u>July 1, 2005, through June 30, 2006</u>			
Number of initial truancy notifications	15,645	13,862	(1,783)
Unit cost per initial notifications	× \$15.54	× \$15.54	× \$15.54
Total program costs	<u>\$ 243,123</u>	<u>\$ 215,415</u>	<u>\$ (27,708)</u>
Less amount paid by the State ²		<u>(215,415)</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ —</u>	
<u>July 1, 2006, through June 30, 2007</u>			
Number of initial truancy notifications	14,020	14,020	—
Unit cost per initial notifications	× \$16.15	× \$16.15	× \$16.15
Subtotal	<u>\$ 226,423</u>	<u>\$ 226,423</u>	<u>\$ —</u>
Noncompliant initial truancy notifications	<u>—</u>	<u>(28,303)</u>	<u>(28,303)</u>
Total program costs	<u>\$ 226,423</u>	<u>\$ 198,120</u>	<u>\$ (28,303)</u>
Less amount paid by the State ²		<u>—</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 198,120</u>	
<u>Summary: July 1, 2003, through June 30, 2007</u>			
Total program costs	<u>\$ 987,881</u>	<u>\$ 859,913</u>	<u>\$ (127,968)</u>
Less late claim penalty	<u>(2,000)</u>	<u>(2,000)</u>	<u>—</u>
Subtotal	<u>\$ 985,881</u>	<u>857,913</u>	<u>\$ (127,968)</u>
Less amount paid by the State ²		<u>(659,793)</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 198,120</u>	

¹ Calculation differences due to rounding.

² Payment information current as of February 4, 2014.

I. NOTIFICATION OF TRUANCY PROGRAM CRITERIA

Parameters and Guidelines – July 22, 1993

On August 27, 1987, the Commission on State Mandates (CSM) adopted the parameters and guidelines for Chapter 498, Statutes of 1983. The CSM amended the parameters and guidelines on July 22, 1993 (**Exhibit B**).

Section I summarizes the mandated program as follows:

I. SUMMARY OF MANDATE

Chapter 498, Statutes of 1983 . . . requires school districts, upon a pupil's initial classification as a truant, to notify the pupil's parent or guardian by first-class mail or other reasonable means of (1) the pupil's truancy; (2) that the parent or guardian is obligated to compel the attendance of the pupil at school; and (3) that parents or guardians who fail to meet this obligation may be guilty of an infraction and subject to prosecution

Additionally, the district must inform parents and guardians of (1) alternative educational programs available in the district, and (2) the right to meet with appropriate school personnel to discuss solutions to the pupil's truancy.

A truancy occurs when a student is absent from school without valid excuse more than three (3) days or is tardy in excess of thirty (30) minutes on each of more than three (3) days in one school year. . . .

A student shall be initially classified as truant upon the fourth unexcused absence, and the school must at that time perform the requirements mandated in Education Code Section 48260.5. . . .

Section V.A identifies the mandated program's scope as follows:

V. REIMBURSABLE COSTS

A. Scope of Mandate

The eligible claimant shall be reimbursed for only those costs incurred for planning the notification process, revising district procedures, the printing and distribution of notification forms, *and associated record keeping* [emphasis added].

Section V.B.2 specifies the ongoing reimbursable activity:

V. REIMBURSABLE COSTS

B. Reimbursable Activities

2. Notification process – On-going

Identifying the truant pupils to receive the notification, preparing and distributing by mail or other method the forms to parents/guardians, *and associated recordkeeping* [emphasis added].

Section V.C identifies the uniform cost allowance applicable to the mandated program:

V. REIMBURSABLE COSTS

C. Uniform Cost Allowance

Pursuant to Government Code section 17557, the Commission on State Mandates has adopted a uniform cost allowance . . . *The uniform cost allowance is based on the number of initial notifications of truancy distributed* [emphasis added]. . . .

Section VI specifies the following claim preparation requirements:

VI. CLAIM PREPARATION

Each claim for reimbursement . . . must be timely filed *and provide documentation in support of the reimbursement claimed for this mandated program* [emphasis added].

Parameters and Guidelines – May 27, 2010

On January 31, 2008, and May 27, 2010, the CSM amended the parameters and guidelines, effective July 1, 2006 (Tab 3). In relevant part, the CSM amended the parameters and guidelines on January 31, 2008, "to modify the definition of truant and the required elements to be included in the initial truancy notifications to conform reimbursable activities to Statutes 1994, Chapter 1023, and Statutes 1995, Chapter 19. . . ." The CSM amended the parameters and guidelines on May 27, 2010, to clarify mandated program documentation requirements.

II. DISTRICT CLAIMED UNSUPPORTED INITIAL TRUANCY NOTIFICATIONS

Issue (Finding 1)

The district claimed 57 unsupported initial truancy notifications totaling \$799.

SCO Analysis:

The district claimed 17,943 and 19,134 initial truancy notifications distributed for FY 2003-04 and FY 2004-05, respectively. The district provided records documenting only 17,919 and 19,101 initial truancy notifications distributed for FY 2003-04 and FY 2004-05, respectively.

District's Response

The audit report . . . does not indicate in what factual or legal manner the District documentation was insufficient . . . The audit report states only that the District's "attendance records did not support the number of initial truancy notifications claimed." The findings comprise adjustments that ostensibly result from what the Controller perceives to be inadequate source documentation. The Controller does not assert that the claimed costs were excessive or unreasonable, which is the only statutory mandated cost audit standard. . . .

A. Claim Preparation Standard

The audit report concludes that the District did not comply with the parameters and guidelines for claiming costs, but does not describe the nature of the perceived documentation deficiency. The parameters and guidelines for claim preparation state:

VI. CLAIM PREPARATION

Each claim for reimbursement pursuant to Education Code Section 48260.5, Chapter 498, Statutes of 1983, must be timely filed and provide documentation in support of the reimbursement claimed for this mandated program.

A. Uniform Cost Allowance Reimbursement

Report the number of initial notifications of truancy distributed during the year. Do not include in that count the number of notifications or other contacts which may result from the initial notification to the parent or guardian.

The District complied with Part VI A of the parameters and guidelines by reporting the number of notices distributed on the forms provided by the Controller's claiming instructions for this purpose.

SCO's Comment

The district states that the SCO did not indicate "in what factual or legal manner" the district's documentation was "insufficient." We disagree; the finding clearly identifies the facts. The district claimed 17,943 and 19,134 initial truancy notifications distributed for FY 2003-04 and FY 2004-05, respectively. However, the district provided records that documented only 17,919 and 19,101 initial truancy notifications distributed for FY 2003-04 and FY 2004-05, respectively. Therefore, the district overstated the number of initial truancy notifications that its records support.

The district states, "The Controller does not assert that the claimed costs were excessive or unreasonable, which is the only statutory mandated cost audit standard. . . ." We disagree on two points.

The SCO does assert that claimed costs were excessive. Excessive is defined as "Exceeding what is usual, *proper*, [emphasis added] necessary, or normal."³ The district filed claims that were improper because the claims did not identify the correct number of initial truancy notifications distributed, as documented by the district's records.

In addition, Government Code section 17561, subdivision (d)(2)(B), is not the only applicable audit standard, as the district alleges. Government Code section 17561, subdivision (d)(2)(A)(i), states that the SCO may audit the records of any school district "to verify the actual amount of the mandated costs." Furthermore, Government Code section 12410 states, "The Controller shall audit *all claims* [emphasis added] against the state, and may audit the disbursement of any state money, for correctness, legality, and for sufficient provisions of law for payment.

The district states that it "complied" with the parameters and guidelines simply by reporting a certain number of truancy notifications on a mandated program claim form. We disagree. The district itself cites a parameters and guidelines section that states, "Each claim . . . must be timely filed *and provide documentation in support of the reimbursement claimed* [emphasis added]. . . ." The district provided documentation that supported fewer initial truancy notifications than the number claimed.

³ Merriam-Webster's Collegiate Dictionary, Tenth Edition © 2001.

District's Response

B. Audit Documentation Standard

The audit report concludes that the District did not comply with the parameters and guidelines as to source documentation for an audit, but did not specify in the audit report why the source documentation was deficient. . . .

The parameters and guidelines do not specify the form of supporting documentation required. The parameters and guidelines do not require claimants to maintain a copy of each notification. The parameters and guidelines do not require attendance records to support the number of notifications distributed. The Controller selected the attendance records as the only source of support for the number of notifications claimed for purposes of the audit. This is an unenforceable policy preference of the Controller.

The District complied with Part VII A of the parameters and guidelines by supporting the number of notices distributed with attendance records prepared in compliance with state attendance reporting requirements and information prepared specifically for the mandate. The attendance and truancy information was recorded on a contemporaneous basis as required by the Education Code. The truanies were recorded and the notices were distributed, therefore, actual costs were incurred, and the Controller does not state that the work was not performed. The District provided documentation generated in the ordinary course of business and the implementation of the mandate and has therefore supported the claimed costs. The additional standards desired by the Controller for supporting documentation are not defined in the audit report, not defined in the Education Code, and not defined in the parameters and guidelines. . . .

SCO's Comment

The district claimed costs for initial truancy notifications distributed for specified students. The SCO requested that the district provide attendance records showing that the students accumulated the minimum number of unexcused absences or tardiness occurrences between ages 6 and 18. The district states that our request for attendance records to support initial truancy notifications is "an unenforceable policy preference." The district then states that it complied with parameters and guidelines' documentation requirements "by supporting the number of notices distributed with attendance records." The district's comments are contradictory.

We disagree with the district's statement related to "an unenforceable policy preference" for supporting documentation. The mandated program reimburses the district for issuing initial truancy notifications to students who accumulate a specified number of unexcused absences or tardiness occurrences between ages 6 and 18. The district claimed a specific number of notifications issued and identified the corresponding students who purportedly met the minimum requirements to be classified as truant. The district's attendance records are the source documentation to validate that the students did, in fact, qualify as truants. The district has not provided, offered, or identified any alternative documentation to support the unallowable initial truancy notifications claimed.

The district states that it "provided documentation generated in the ordinary course of business and the implementation of the mandate and has therefore supported the claimed costs." We disagree. Simply providing documentation does not result in reimbursable mandated costs. Supporting documentation must show that the claimed costs are reimbursable in accordance with the parameters and guidelines. In this case, the supporting documentation shows that the district claimed costs that are not mandate-reimbursable.

The district states that there are "additional standards desired by the Controller for supporting documentation." However, we are unclear what "additional standards" the district believes exists. In any case, we disagree. As previously stated, the district is required to support the number of initial truancy notifications claimed by showing that the applicable students accumulated the minimum number of unexcused absences or tardiness occurrences while between ages 6 and 18.

District's Response

On a related matter, the District believes the 454 unclaimed notices . . . identified in Finding 2 for FY 2005-06 should be included in Finding 1 to increase the total number of claimable notifications before the extrapolation of the statistical sampling findings, similar to how the FY 2003-04 and FY 2004-05 reductions have been treated.

SCO's Response

The district's response is irrelevant to the factual accuracy of the audit finding. The FY 2005-06 audit adjustment shown in Schedule 1—Summary of Program Costs (**Exhibit D**) is the same, whether the report accounts for the 454 unclaimed initial truancy notifications in Finding 2 alone or Findings 1 and 2 together.

Finding 2 identifies understated costs totaling \$5,237 attributable to the 454 unclaimed initial truancy notifications. If we had included the unclaimed notifications in Finding 1, that finding would identify understated costs totaling \$7,055 (454 x \$15.54). However, FY 2005-06 elementary school unallowable costs identified in Finding 2 would increase by \$1,818, from \$30,381 to \$32,199. The two changes net to \$5,237, the amount currently identified in Finding 2.

The following table illustrates how the Finding 2 FY 2005-06 elementary school audit adjustment would change if we moved the 454 unclaimed notifications to Finding 1:

	<u>Fiscal Year</u> <u>2005-06</u>
<u>Elementary Schools</u>	
Number of unallowable initial truancy notifications	(38)
Sample size	<u>147</u>
Unallowable percentage	(25.85)%
Supported number of initial truancy notifications sampled	<u>8,016</u>
Unallowable initial truancy notifications	(2,072)
Uniform cost allowance	<u>\$15.54</u>
Audit adjustment	<u>\$ (32,199)</u>

III. DISTRICT CLAIMED NON-REIMBURSABLE INITIAL TRUANCY NOTIFICATIONS

Issue (Finding 2)

The district claimed non-reimbursable initial truancy notifications totaling \$98,866. The district disagrees with the audit methodology and the results derived therefrom.

SCO Analysis:

The district claimed initial truancy notifications for students who did not accumulate the required number of unexcused absences or tardiness occurrences to qualify as truant under the mandated program.

For each fiscal year, we selected a statistical sample of initial truancy notifications based on a 95% confidence level, a precision rate of +/-8%, and an expected error rate of 50%. We chose our statistical sample from the population of initial truancy notifications that the district documented. We used a statistical sample so that we could project the sample results to the population. The district accounts for elementary and secondary school attendance differently; therefore, we stratified the population into two groups and selected separate samples for each group.

The district claimed unallowable initial truancy notifications for students who accumulated fewer than four unexcused absences or tardiness occurrences during the fiscal year.

District's Response

THE ISSUE OF STATISTICAL SAMPLING AND EXTRAPOLATION

Reimbursement for this mandate is based on the actual number of notifications distributed multiplied by a uniform cost allowance for reimbursement . . . The audit report states that this finding is based on a statistical sample. . . .

A. Legal Basis for Reimbursement Based on Statistical Sampling

The essential legal issue for this finding is whether the Controller can adjust claims utilizing an extrapolation of findings from an audit sample. . . .

The audit report has cited no statutory or regulatory authority to allow the Controller to reduce claimed reimbursement based on extrapolation of a statistical sample. Instead, the audit report states that:

- Government Code section 17558.5 requires the district to file a reimbursement claim for *actual* mandate-related costs.
- That citation is not specific to the sampling issue presented. That citation is also unavailing since the Notification of Truancy mandate is reimbursed based on a unit cost rate which is a reasonable representation of actual costs incurred by districts that were included in the cost study to establish the uniform cost allowance for this mandate.
- "Government Code section 17561, subdivision (d)(2), allows the SCO to audit the district's records to verify *actual* mandate-related costs" and that Government Code Section 12410 requires the Controller to "audit all claims against the state." The District concurs that the Controller has authority to audit mandate claims, but asserts that it must be done legally and logically. The District does not dispute the Controller's authority to audit claims for mandated costs and to reduce those costs that are excessive or unreasonable . . . However, Section 12410 . . . is not specific to the audit of mandate reimbursement claims. The only applicable audit standard for mandate reimbursement claims is found in Government Code Section 17561 (d)(2). The fact that Section 17561(d)(2) specifies its own audit standard (excessive or unreasonable) implies that the general Controller audit standard (correctness, legality, and sufficient provisions of law) does not control here. Therefore, the Controller may only reduce a mandate reimbursement claim if it specifically finds that the amounts claimed are unreasonable or excessive under Section 17561(d)(2). Further, the Controller has not asserted or demonstrated that, if Section 12410 was the applicable standard, the audit adjustments were made in accordance with this standard. The District's claim was correct, in that it reported the number of notices distributed. There is also no allegation in the audit report that the claim was in any way illegal . . . Thus, even if the standards of Section 12410 were applicable to mandate reimbursement audits, the Controller has failed to put forth any evidence that these standards are not met or even relevant. There is no indication that the Controller is *actually* relying on the audit standards set forth in Section 12410 for the adjustments to the District's reimbursement claims.
- "The SCO conducted its audit according to generally accepted government auditing standards [GAGAS] (*Government Auditing Standards*, issued by the U.S. Government Accountability Office, July 2007) [GAO]." The audit report asserts that the "standards recognize statistical sampling as an acceptable method to provide sufficient, appropriate evidence" but does not cite specific GAO or GAGAS language in support of that assertion. The audit report does not explain how a statistical sample that provides "appropriate evidence" of the scope and reliability of source documentation is therefore a source of findings of actual cost or pervasive compliance with the mandate program requirements. Notwithstanding, the GAO auditing guide referenced specifically pertains to audits of federal funds and state mandate reimbursement does not utilize federal funds. Further, the GAO audit guide has not been adopted pursuant to any state agency rulemaking nor is it included as a standard in the parameters and guidelines, so claimants could not be on legal notice of its requirements, assuming its requirements were relevant to mandate audits, nor could the District have actual notice of the GAO guide published in 2007 at the time the annual claims were filed.

There is no provision to allow claimants to claim costs based on sampling and extrapolation, or for the Controller to audit or make findings in the same manner. There is no published audit manual for mandate reimbursement or the audit of mandate claims in general, or any published audit program for this mandate program which allows this method of audit or allows adjustment of amounts claimed in this manner. Adjustment of the claimed costs based on an extrapolation from a statistical sample is utilizing a standard of general application without the benefit of compliance with the Administrative Procedure Act. Thus, the application of the method is prohibited by the Government Code.

SCO's Comment

Government Code Sections 17558.5 and 17561, Subdivision (d)(2)(A)(i)

The district quotes one sentence regarding Government Code section 17558.5 from the "SCO's Comment" section of the audit finding and presents that sentence out of context. The audit finding states that this code section "requires the district to file a reimbursement claim for actual mandate-related costs." The district implies that we cited Government Code section 17558.5 to validate the statistical sampling used to develop the audit adjustment. We disagree. The district also references its response to the draft audit report, alleging that Government Code section 17561, subdivision (d)(2), is "the only applicable audit standard for mandate reimbursement claims," and allows the SCO to adjust only those claims it determines are excessive or unreasonable. The district further alleges that the entire findings are based upon the wrong standard for review. In response, we disagreed and cited relevant language from Government Code section 17558.5 that requires the district to file a reimbursement claim for actual costs. We paired this requirement with Government Code section 17561, subdivision (d)(2)(A)(i), which allows the SCO to audit the district's records to verify actual mandate-related costs.

The district attempts to invalidate Government Code section 17558.5 and its relation to Government Code section 17561, subdivision (d)(2)(A)(i), by stating the citation is "unavailing since the Notification of Truancy mandate is reimbursed based on a unit-cost rate." We disagree with the district's implication that Government Code section 17558.5 is irrelevant. In its Incorrect Reduction Claim, Part VIII Relief Requested, the district states, "The amounts claimed by the District for reimbursement . . . represent the *actual* [emphasis added] costs incurred by the District. . . ." School districts combine the unit-cost rate with the *actual* number of initial truancy notifications issued to calculate reimbursable mandated costs. The "actual" number of initial truancy notifications are those mandate-related reimbursable notifications that the district's records support.

Government Code Section 12410

The district states that Government Code section 12410 is not applicable to mandated cost claims. We disagree. Government Code section 12410 is quite specific in stating, "The Controller shall audit *all claims* against the state and may audit the disbursement of *any* state money, for correctness, legality, and for sufficient provisions of law for payment [emphasis added]."

The district states:

Further, the Controller has not asserted or demonstrated that, if Section 12410 was the applicable standard, the audit adjustments were made in accordance with this standard. The District's claim was correct, in that it reported the number of notices distributed. . . .

The district believes that only one "standard" is applicable to mandated cost claims. We disagree. All cited statutory audit standards are relevant. Pursuant to Government Code section 12410, we concluded that the district's claims were neither correct nor legal. Correct is defined as "conforming to an approved or conventional standard."⁴ Legal is defined as "conforming to or permitted by law or established rules."⁵ The district submitted claims for non-reimbursable initial truancy notifications.

Statistical Sampling

The district states, "The audit report has cited no statutory or regulatory authority to allow the Controller to reduce claimed reimbursement based on extrapolation of a statistical sample." We

disagree. Government Code section 17561, subdivision (d)(2)(B), states, "The Controller may reduce any claim that the Controller determines is excessive or unreasonable." Excessive is defined as "exceeding what is usual, *proper, necessary*, [emphasis added] or normal."⁶ The district's claims were improper because the district claimed non-reimbursable initial truancy notifications. The district states that it "does not dispute the Controller's authority to audit claims for mandated costs and to reduce those costs that are excessive or unreasonable."

The district also contests the applicability of generally accepted government auditing standards (GAGAS) (*Government Auditing Standards*, issued by the U.S. Government Accountability Office [GAO], July 2007). The district states, "... the GAO auditing guide referenced specifically pertains to audits of federal funds. . . ." The district failed to cite language from *Government Auditing Standards* that supports its assertion. *Government Auditing Standards*, section 1.03, "Purpose and Applicability of GAGAS," states:

The professional standards and guidance contained in this document . . . provide a framework for conducting high quality government audits and attestation engagements with competence, integrity, objectivity, and independence. *These standards are for use by auditors of government entities* [emphasis added]. . . ."

In addition, the district contests the appropriateness of statistical sampling. The district states that the audit report does not cite specific GAGAS language that recognizes statistical sampling as an acceptable method to provide sufficient, appropriate evidence. *Government Auditing Standards*, section 7.55, states "Auditors must obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions." Section 7.56 states, "Appropriateness is the measure of the quality of evidence. . . ." In further discussing appropriateness, section 7.63 states, "When a representative sample is needed, the use of statistical sampling approaches generally results in stronger evidence. . . ."

The district states, "... the GAO audit guide has not been adopted pursuant to any state agency rulemaking . . . so the claimants could not be on legal notice of its requirements. . . ." *Government Auditing Standards* provides a framework to conduct audits. Its "requirements" are applicable to auditors, not claimants; therefore, state agency rulemaking is irrelevant. Similarly, it has no bearing on how claimants perform mandate-related activities or submit reimbursement claims.

The district states, "There is no provision in law to allow claimants to claim costs based on sampling and extrapolation. . . ." We disagree. Various mandated cost programs allow claimants to claim salary and benefit costs based on a documented time study, which itself is simply a sample of actual time worked extrapolated to a full year. Examples include the Habitual Truant, Intradistrict Attendance, and Juvenile Court Notices II programs.

The district states, "There is no published audit manual for mandate reimbursement or the audit of mandate claims in general, or any published audit program for this mandate program. . . ." We conducted our audit under the authority of Government Code sections 12410, 17558.5, and 17561. There is no statutory requirement for the SCO to publish an audit manual or audit program for mandated cost program audits.

⁴ Merriam-Webster's Collegiate Dictionary, Tenth Edition © 2001.

⁵ Ibid.

⁶ Ibid.

District's Response

B. Utility of the Sampling Methodology

A statistically valid sample methodology is a recognized audit tool for some purposes. See Exhibit "E" ("Statistical Sampling Revisited"). The sampling process was misapplied here. The purpose of sampling is to determine the results of transactions or whether procedures were properly applied to the reported transactions . . . What the Controller purports to be testing is whether the notices are reimbursable based on the number of prerequisite absences or content of the notice. . . .

Instead, the auditor was actually conducting a review for documentation rather than mandate compliance. Testing for procedural compliance usually involves establishing tolerance parameters, but in the case of this audit, the tolerance factor was zero, that is, based on the auditor's perception of adequate documentation, which is a separate issue. Testing to detect the rate of error within tolerances is the purpose of sampling, but it is not a tool to assign an exact dollar amount to the amount of the error, which the Controller has inappropriately done so here. . . .

SCO's Comment

The district states that the sampling process was "misapplied." The district includes an exhibit but makes no specific reference to that exhibit to support its position. We disagree with the district's statement. We properly used estimation sampling to establish the frequency of occurrence of non-reimbursable initial truancy notifications. We conclude that the sampling methodology is appropriate based on the following:

Estimation sampling is the most widely used approach to audit tests. It provides the answer to the question of how many or how much. When this method is used, a random sample of a special size is obtained, and either the number of some specified type of item or event (such as errors) appearing in the sample is counted and the proportion of these items determined. . . .

If the sample is used as a means of establishing the frequency of occurrence of some kind of event or type of item, the process is referred to as *attributes sampling*. The result of such a sampling operation is commonly expressed as the *percent* of the type of event specified.

In statistical terminology, any measurement obtained by counting the number of items falling in a given category is called an *attribute measurement* . . . Examples of attribute categories include errors versus nonerrors. . . .⁷

The district continues by stating:

What the Controller purports to be testing is whether the notices are reimbursable based on the number of prerequisite absences or content of the notice. . . .

Instead, the auditor was actually conducting a review for documentation rather than mandate compliance.

We agree that we tested initial truancy notifications to determine if those notifications are reimbursable based on the number of unexcused absences or tardiness occurrences specified in the parameters and guidelines. We did not use statistical samples to test "content of the notice." The district's reference to "conducting a review for documentation" is unclear. We properly examined the district's supporting documentation to identify the number of unexcused absences or tardiness occurrences that occurred while the student was between ages 6 and 18, thereby classifying the initial truancy notification as reimbursable or non-reimbursable.

⁷ Herbert Arkin, *Handbook of Sampling for Auditing and Accounting*, Third Edition, Prentice Hall, New Jersey, 1984, p.13-14.

The district states, "Testing for procedural compliance usually involves establishing tolerance parameters, but in the case of this audit, the tolerance factor was zero, that is, based on the auditor's perception of adequate documentation. . . ." We disagree. A "tolerance factor" is not applicable, because we conducted estimation sampling as noted above. For each initial truancy notification, the notification is either an "error" or a "non-error," depending on the number of valid unexcused absences or tardiness occurrences that support the notification. There was no "auditor's perception of adequate documentation;" the district's records either did or did not identify the minimum number of unexcused absences or tardiness occurrences.

District's Response

C. Sample Risk

The ultimate risk from extrapolating findings from a sample is that the conclusions obtained from the sample may not be representative of the universe. That is, the errors perceived from the sample do not occur at the same rate in the universe. That is what has occurred in this audit. For example, kindergarten students present in the sample are more likely to be excluded because of the under-age issue, which makes these samples nonrepresentative of the universe. Also, if any of the notices excluded for being under-age or over-age are for students who are special education students, these samples would also not be representative of the universe since the possibility of a special education student being under-age or over-age is greater than the entire student body. . . .

SCO's Comment

The district states:

The ultimate risk from extrapolating findings from a sample is that . . . the errors perceived from the sample do not occur at the same rate in the universe. *That is what has occurred in this audit* [emphasis added].

Title 5, *California Code of Regulations*, section 1185, subdivision (f)(3), states:

If the narrative describing the alleged incorrect reduction(s) involves more than discussion of statutes or regulations or legal argument and *utilizes assertions or representations of fact* [emphasis added], such assertions or representations shall be supported by testimonial or documentary evidence and shall be submitted with the claim.

The district provided no documentary evidence to support its assertion.

The district alleges that the samples are non-representative of the population because kindergarten students, and special education students are more likely to be "excluded for being under-age or over-age." The fact that a particular student's initial truancy notification might more likely be identified as non-reimbursable is irrelevant to the composition of the audit sample itself. It has no bearing on evaluating whether the sample selection is representative of the population. To that point, Arkin states:

Since the [statistical] sample is objective and unbiased, it is not subject to questions that might be raised relative to a judgment sample. Certainly a complaint that the auditor had looked only at the worst items and therefore biased the results would have no standing. This results from the fact that an important feature of this method of sampling is that all entries or documents have an equal opportunity for inclusion in the sample.⁸

⁸ Ibid, p. 9.

District's Response

D. Sample Error

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>Total</u>
<u>Elementary Schools</u>				
Audited notifications claimed	9,214	9,395	7,562 *	26,171
Total notices in entire sample	148	148	147	443
Percentage of the sample to total	1.61%	1.58%	1.94%	1.69%
<u>Audit Results:</u>				
Alleged "noncompliant" notices	36	40	38	114
Percentage "noncompliant"	24.32%	27.03%	25.85%	25.73%
<u>Secondary Schools</u>				
Audited notifications claimed	8,705	9,706	8,083	26,494
Total notices in entire sample	148	148	147	443
Percentage of the sample to total	1.70%	1.52%	1.82%	1.67%
<u>Audit Results:</u>				
Alleged "noncompliant" notices	3	2	3	8
Percentage "noncompliant"	2.03%	1.35%	2.04%	1.81%

* Net of unsupported truancies identified in Finding 1. The population of elementary schools sampled for FY 2005-06 totaled 8,016 (7,562 claimed and 454 unclaimed).

In addition to the qualitative concerns discussed, quantitative extrapolation of the sample to the universe depends on a statistically valid sample methodology. Extrapolation does not ascertain actual cost. It ascertains probable costs within an interval. The sampling technique used by the Controller is quantitatively non-representative. For the three fiscal years, the Controller determined that there were 52,665 notices distributed by the District. The total sample size for all three years was 886 notices, or about 295 notices per year. Less than two percent of the total number of notices were audited (1.68%). The stated precision rate was plus or minus 8%, even though the sample size is essentially identical for all three fiscal years (either 296 or 294 samples), and even though the audited number of notices claimed in FY 2004-05 (19,101) is 22% larger than the size of FY 2005-06 (15,645). The expected error rate is stated to be 50%, which means the total amount adjusted of \$98,866 is really just a number exactly between \$49,433 (50%) and \$148,299 (150%). The midrange of an interval cannot be used as a finding of absolute actual cost.

The Controller does not assert that the claimed costs were excessive or unreasonable, which is the only mandated cost audit standard in statute (Government Code Section 17561(d)(2)). The cost to be reimbursed by the state for each notice is stipulated by the parameters and guidelines. It would therefore appear that the entire findings are based upon the wrong standard for review. If the Controller wishes to enforce other audit standards for mandated cost reimbursement, the Controller should comply with the Administrative Procedure Act.

SCO's Comment

The district states that the sampling technique is "quantitatively non-representative." We disagree. It appears that the district reached this conclusion because the sample sizes were essentially consistent while the applicable population size varied. Basic statistical sampling principles dismiss the district's contention. To that point, Arkin states:

It is apparent that it is the absolute size of the sample that is of primary consideration and *not* its relative size.⁹

Arkin also states that when the sample constitutes an appreciable portion of the population (more than 1%), the attributes sampling sample size is calculated as follows:¹⁰

$$n = \frac{p(1 - p)}{(SE/t)^2 + p(1 - p)/N}$$

Where:

n = sample size

p = percent of occurrence in population (expected error rate)

SE = desired sample precision

t = confidence level factor (distance from arithmetic mean in terms of standard deviation)

N = population size

Our report states that we calculated the sample size based on a 95% confidence level, which results in a confidence level factor of 1.96.¹¹

The district states, "The expected error rate is stated to be 50%, which means the total amount adjusted of \$98,866 is really just a number exactly between \$49,433 (50%) and \$148,299 (150%)." The district's conclusion is erroneous. The expected error rate is used to calculate the appropriate sample size. To that point, Arkin states:

In the event that the auditor has no idea whatsoever of what to expect as the maximum rate of occurrence or does not care to make an estimate, he may use the table headed "Rate of Occurrence 50%" [an expected error rate of 50%]. In this case he will be supplied with the most conservative possible sample size estimate and will in no case find he has a poorer sample precision than desired. . . .¹²

The district has identified an incorrect range for the audit adjustment. Based on the sampling parameters identified in the report and the individual sample results, our analysis shows that the audit adjustment range is \$63,807 to \$133,922 (Tab 4). While a statistical sample evaluation identifies a range for the population's true error rate, the point estimate provides the best, and thus *reasonable*, single estimate of the population's error rate. The audit report identifies a \$98,866 audit adjustment, which is a cumulative total of the unallowable costs based on point estimates from each audit sample's results. As the district states in multiple instances, Government Code section 17561, subdivision (d)(2)(B), specifies that the SCO may reduce any claim that it determines is excessive or unreasonable. The SCO conducted appropriate statistical samples that identified a *reasonable* estimate of the non-reimbursable initial truancy notifications, thus properly reducing the claims for the *unreasonable* claimed costs. Therefore, the Administrative Procedures Act is not applicable.

⁹ Ibid, p. 90.

¹⁰ Ibid, p. 85.

¹¹ Ibid, p. 56.

¹² Ibid, p. 89.

District's Response

THE ISSUES OF COMPLIANCE WITH THE MANDATE

... The audit report disallows 122 of the 886 notifications evaluated for three reasons:

<u>REASON FOR DISALLOWANCE</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>Total</u>
<u>Elementary Schools (Daily Attendance)</u>				
1. Underage (less than 6 years)	15	15	27	57
2. Insufficient documentation	-	-	-	-
3. Less than 4 Absences	21	25	11	57
Total Disallowed	36	40	38	114
Sample Size	148	148	147	
Percentage Disallowance	24.32%	27.03%	25.85%	
<u>Secondary Schools (Period Attendance)</u>				
1. Overage (18 years plus)	2	2	2	6
2. Insufficient documentation	1	-	-	1
3. Less than 4 Absences	-	-	1	1
Total Disallowed	3	2	3	8
Sample Size	148	148	148	
Percentage Disallowance	2.03%	1.35%	2.04%	

E. Insufficient Documentation

The audit report disallows one of the notices in the audit sample for secondary schools for lack of supporting documentation. This criterion was not discussed in the audit report for this finding. This is a documentation issue and the District response on documentation standards is located in our response to Finding 1 above.

SCO's Comment

The district incorrectly identified the sample size for FY 2005-06 secondary schools. The correct sample size is 147 students.

We disagree that there is a need to separately discuss the one unallowable initial truancy notification referenced. The SCO requested that the district provide attendance records showing that the students accumulated the minimum number of unexcused absences or tardiness occurrences between ages 6 and 18. If the district provided no records, then the audit conclusion is that the student did not have the required unexcused absences. Because the district provided attendance record documentation for 885 of the 886 sampled students, we believe that the district is well-versed on the documentation criterion.

District's Response

F. Age of Student

The audit report disallows 57 notices in the audit sample for the elementary school for students that were less than 6 years of age and disallows six notices in the audit sample for the secondary schools for students that were older than eighteen years of age, citing the compulsory attendance law, Education Code Section 48200 [footnote excluded]. Section 48200 and Section 48400 [footnote excluded] establish the legal *requirement* for attendance for persons of the ages 6 through 18 years of age, and an offense enforceable against parents who fail to send their

children to school. However, younger persons have the statutory entitlement to attend kindergarten pursuant to Section 48000 [footnote excluded], and first-grade pursuant to Section 48010 [footnote excluded] and Section 48011 [footnote excluded], that cannot be denied by a school district. In addition, special education students are statutorily entitled to educational services from ages 3 to 22 years pursuant to Section 56026 [footnote excluded].

The District is required by Section 46000 [footnote excluded] to record and keep attendance and report absences of *all students* according to the regulations of the State Board of Education for purposes of apportionment and general compliance with the compulsory education law (Title 5, CCR, Section 400 [footnote excluded], et seq.). The initial notification of truancy is a product of the attendance accounting process and promotes compliance of the compulsory education law and *every pupil's* duty to attend school regularly (Title 5, CCR, Section 300 [footnote excluded]).

SCO's Comment

The district states that the audit report disallows six initial truancy notifications for secondary school students who were older than 18 years of age. The statement is incorrect. The audit report identified six unallowable secondary school initial truancy notifications because students did not accumulate the required number of unexcused absences or tardiness occurrences while between ages 6 and 18.

The district confuses students' statutory *requirement* to attend school between ages 6 and 18 with students' *entitlement* to attend outside of that age range. Education Code section 48260, subdivision (a), as amended in 1994 states:

Any pupil subject to compulsory full-time education or to compulsory continuation education [emphasis added] who is absent from school without valid excuse three full days in one school year or tardy or absent for more than any 30-minute period during the schoolday [sic] without a valid excuse on three occasions in one school year, or any combination thereof, is a truant. . . .

Education Code 48200 states:

Each person between the ages of 6 and 18 [emphasis added] not exempted . . . is subject to compulsory full-time education.

Student absences that occur before the student's 6th birthday or after the student's 18th birthday are irrelevant when determining whether a student is a truant.

District's Response

G. Number of absences required for the initial notification

The audit report disallows 57 notices in the audit sample for the elementary school and disallows one notice in the audit sample for secondary schools because the District was unable to document that the pupils had accumulated the required number of unexcused absences or tardies necessary to be classified as truant under the mandated program. Education Code Section 48260, as recodified by Chapter 1010, Statutes of 1976, required a pupil to be classified as truant "who is absent from school without valid excuse more than three days or tardy in excess of 30 minutes on each of more than three days in one school year." The original parameters and guidelines were based on this definition of a truant, that is, a pupil with more than three unexcused absences or tardy for more than three periods. Education Code Section 48260, as amended by Chapter 1023, Statutes of 1994, and Chapter 19, Statutes of 1995, requires a pupil to be classified as truant "who is absent from school without valid excuse three full days in one school year or tardy or absent for more than any 30-minute period during the schoolday." The parameters and guidelines were amended January 31, 2008, to incorporate the change in the Education Code definition of a truant with retroactive effect to FY 2006-07. Thus, until FY

2006-07, the parameters and guidelines required at least four unexcused absences for the pupil to be classified as a reimbursable truant, while Education Code Section 48260 required only three unexcused absences beginning in 1995. The audit report concludes that since the effective date of the amended parameters and guidelines is July 1, 2006, in order to be reimbursed, the student must accumulate a fourth absence or tardy to claim reimbursement for fiscal years prior to FY 2006-07.

The parameters and guidelines specifically reference that the source of the definition of a truant is Section 48260. Therefore, any amendment of Section 48260 would independently and unilaterally change the essential requirements for the initial notice of truancy without the need for an amendment by the Commission on State Mandates . . . The audit report asserts that "school districts are responsible for identifying state-mandated costs and filing test claims for reimbursement of those costs," and that "[t]his district, and all other California school districts, failed to file a test claim in response to" the revised Section 48260 definition of an initial truancy. As a matter of law, a new test claim was not needed. The parameters and guidelines were later amended at the Controller's request to accomplish the needed changes. Why the Controller did not act sooner, as early as 1995 when the law changed, is not indicated in the audit report.

The District properly complied with state law when it issued truancy notifications after three absences, rather than waiting for a fourth absence as required by the parameters and guidelines. Those sampled notifications with at least three absences or tardies are reimbursable. The Controller's disallowance of those notices is without legal authority.

SCO's Comment

The district states that any amendment of Education Code section 48260 "would independently and unilaterally change the essential requirements for the initial notice of truancy without the need for an amendment by the Commission on State Mandates." We disagree. The parameters and guidelines identify reimbursable mandated costs. For the audit period, the parameters and guidelines state:

A student shall be initially classified as truant upon the fourth unexcused absence, and the school must at that time perform the requirements mandated in Education Code Section 48260.5 as enacted by Chapter 498, Statutes of 1983.

Pursuant to Government Code section 17550 et seq., school districts are responsible for identifying state-mandated costs and filing test claims for reimbursement of those costs. This district and all other California school districts failed to file a timely test claim in response to Chapter 1023, Statutes of 1994; therefore, reimbursable mandated costs remained the same until July 1, 2006. The ultimate process employed to revise the parameters and guidelines is irrelevant to the audit issue, which is that the district claimed non-reimbursable initial truancy notifications.

The district states that it "properly . . . issued truancy notifications after three absences, rather than waiting for a fourth absence as required by the parameters and guidelines." We agree that Education Code section 48260.5 requires the district to issue an initial truancy notification upon a student's third unexcused absence or tardiness occurrence. We disagree that the parameters and guidelines require the district to "wait" for a fourth absence before issuing the notification. The parameters and guidelines contain no such language. The district confuses the difference between its statutory responsibility versus mandate-related reimbursable costs identified by the parameters and guidelines.

The district states:

Those sampled notifications with at least three absences or tardies are reimbursable. The Controller's disallowance of those notices is without legal authority.

We disagree that the "disallowance" is "without legal authority." The parameters and guidelines clearly state that initial truancy notifications are reimbursable under the mandated program for students who accumulated four or more unexcused absences or tardiness occurrences. Although the district contests the entire audit adjustment, we note that the district made no comment regarding those students who accumulated fewer than three unexcused absences or tardiness occurrences.

IV. DISTRICT CLAIMED NONCOMPLIANT INITIAL TRUANCY NOTIFICATIONS

Issue (Finding 3)

As a result of the revised audit report, the district has withdrawn this dispute.

V. AMOUNT PAID BY THE STATE

Issue

For each fiscal year, the audit report identifies the amount previously paid by the State. The district requested that the SCO support the amount paid by the State.

SCO Analysis:

At the time that the SCO issued the revised final audit report, the State had paid the district \$210,743 for FY 2003-04, \$233,635 for FY 2004-05, \$215,415 for FY 2005-06, and no payment for FY 2006-07. This payment information is current as of February 4, 2014. The amounts paid as of February 4, 2014, include cash payments, outstanding account receivables applied, and recovered offsets.

District's Response

This issue was not an audit finding. The amount of payments received from the state is an integral part of the reimbursement calculation. The Controller changed some of the claimed payment amounts received without a finding in the original or revised audit report.

<u>Amount Paid by the State</u>	<u>Fiscal Year of Claim</u>			
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>
As Claimed	\$ -	\$ -	\$ -	\$ -
Audit Report	\$ 244,101	\$ 272,234	\$ -	\$ 46,437
Revised Audit Report	\$ 210,743	\$ 233,635	\$ 215,415	\$ -

The propriety of these adjustments cannot be determined until the Controller documents the reason for the changes.

SCO's Comment

The revised final audit report correctly identified the amounts paid by the State as of the report issuance date. Audit findings address issues of noncompliance with mandated program requirements. The State payments are not "a finding in the audit report" because they are not relevant to noncompliance issues.

The following table identifies the actions and dates relevant to the district's claims:

<u>Action</u>	<u>Amount</u>	<u>Date</u>	<u>Reference</u>
<u>FY 2003-04</u>			
District files FY 2003-04 claim	\$ 244,101	December 21, 2005	
SCO cash payment on actual claim	(244,101)	September 12, 2006	Tab 5
Recovered offsets applied:			
Annual Parent Notification (Consolidation) Program, FY 2008-09	33,267	December 6, 2010	Tab 6
Notification of Truancy Program, FY 2007-08	8	June 14, 2010	Tab 6
Annual Parent Notification (Consolidation) Program, FY 2007-08	5	June 14, 2010	Tab 6
Immunization Records Program, FY 2007-08	6	June 14, 2010	Tab 6
Immunization Records - Hepatitis B Program, FY 2007-08	4	June 14, 2010	Tab 6
Scoliosis Screening Program, FY 2007-08	8	June 14, 2010	Tab 6
Juvenile Court Notices II Program, FY 2007-08	12	June 14, 2010	Tab 6
Graduation Requirements Program, FY 2007-08	48	June 14, 2010	Tab 6
Net paid per revised audit report ¹	<u>\$ (210,743)</u>		
<u>FY 2004-05</u>			
District files FY 2004-05 claim	\$ 272,234	January 16, 2007	
SCO cash payment on actual claim	(272,234)	March 14, 2007	Tab 7
Recovered offsets applied:			
The Stull Act Program, FY 2008-09	36,189	December 6, 2010	Tab 8
Annual Parent Notification (Consolidation) Program, FY 2008-09	2,410	December 6, 2010	Tab 8
Net paid per revised audit report ¹	<u>\$ (233,635)</u>		
<u>FY 2005-06</u>			
District files FY 2005-06 claim	\$ 243,123	January 16, 2007	
AB 1610 cash payment on actual claim (Statutes of 2010, Chapter 724)	(215,415)	January 28, 2011	Tab 9
Net paid per revised audit report ¹	<u>\$ (215,415)</u>		
<u>FY 2006-07</u>			
District files FY 2006-07 claim	\$ 226,423	February 14, 2008	
SCO payment on estimated claim:			
Payment offset from Graduation Requirement Program, FY 2005-06	(46,437)	March 12, 2007	Tab 10
Recovered offset applied:			
Annual Parent Notification (Consolidation) Program, FY 2008-09	46,437	December 6, 2010	Tab 11
Net paid per revised audit report ¹	<u>\$ -</u>		

¹ Payments current as of February 4, 2013

The district was paid \$210,743 for FY 2003-04, \$233,635 for FY 2004-05, \$215,415 for FY 2005-06, and no payment for FY 2006-07 claims. The payments consist of the following:

- For the FY 2003-04 claim, the district received a cash payment of \$244,101 (Tab 5) that was reduced by recovered offsets applied to eight of its other filed mandate claims totaling \$33,358 (Tab 6).
- For the FY 2004-05 claim, the district received a cash payment of \$272,234 (Tab 7) that was reduced by recovered offsets applied to two of its other filed mandate claims totaling \$38,599 (Tab 8).
- For the FY 2005-06 claim, the district received an AB 1610 payment of \$215,415. The State Controller's Office remitted to Riverside County an AB 1610 payment of \$12,719,655 on January 28, 2011. The Riverside County Office of Education allocated the payment to individual

school districts in Riverside County. Riverside Unified School District was paid \$1,275,446 for its mandate claims. Of this amount, \$215,415 was allocated for the FY 2005-06 Notification of Truancy Program claim (**Tab 9**).

- For the FY 2006-07 claim, the district received a payment of \$46,437 from a previous payment made on its FY 2005-06 Graduation Requirements Program claim (**Tab 10**) that was reduced by a recovered offset applied to another of its filed mandate claim totaling \$46,437 (**Tab 11**).

The district did not contest the payment amounts in its December 14, 2009 response to our draft audit report (**Exhibit D**).

Title 2, *California Code of Regulations*, Section 1185, allows the district to file an incorrect reduction claim “[t]o obtain a determination that the Office of the State Controller incorrectly reduced a reimbursement claim.” The State payment information has no relevance to reducing a reimbursement claim. The district is misusing the incorrect reduction claim process to perform its internal revenue accounting. Neither the CSM nor the SCO is responsible for the district’s proper accounting of its current mandated cost program revenues.

VI. CONCLUSION

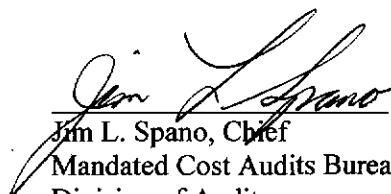
The State Controller’s Office audited Riverside Unified School District’s claims for costs of the legislatively mandated Notification of Truancy Program (Chapter 498, Statutes of 1983; Chapter 1023, Statutes of 1994; and Chapter 19, Statutes of 1995) for the period of July 1, 2003, through June 30, 2007. The district claimed unallowable costs totaling \$127,968. The costs are unallowable because the district claimed unsupported, non-reimbursable, and noncompliant initial truancy notifications.

In conclusion, the CSM should find that: (1) the SCO correctly reduced the district’s FY 2003-04 claim by \$33,358; (2) the SCO correctly reduced the district’s FY 2004-05 claim by \$38,599; (3) the SCO correctly reduced the district’s FY 2005-06 claim by \$27,708; and (4) the SCO correctly reduced the district’s FY 2006-07 claim by \$28,303.

VII. CERTIFICATION

I hereby certify by my signature below that the statements made in this document are true and correct of my own knowledge, or, as to all other matters, I believe them to be true and correct based upon information and belief.

Executed on March 4, 2014, at Sacramento, California, by:


Jim L. Spano, Chief
Mandated Cost Audits Bureau
Division of Audits
State Controller’s Office

Tab 3

Adopted: 8/27/87
Amended: 7/28/88
Amended: 7/22/93
Amended: 1/31/08
Amended: 5/27/10

**Amendment to Parameters and Guidelines
as Directed by the Legislature**

Statutes 2007, Chapter 69 (AB 1698)

Education Code Section 48260.5

Statutes 1983, Chapter 498

Statutes 1994, Chapter 1023

Statutes 1995, Chapter 19

Notification of Truancy

05-PGA-56 (07-PGA-01; 4133)

Effective Date: Beginning with Claims Filed for the
July 1, 2006 – June 30, 2007 Period of Reimbursement

I. BACKGROUND AND SUMMARY OF MANDATE

Chapter 498, Statutes of 1983, added Education Code Section 48260.5 which requires school districts, upon a pupil's initial classification as a truant, to notify the pupil's parent or guardian by first-class mail or other reasonable means of (1) the pupil's truancy; (2) that the parent or guardian is obligated to compel the attendance of the pupil at school; and (3) that parents or guardians who fail to meet this obligation may be guilty of an infraction and subject to prosecution pursuant to Article 6 (commencing with section 48290) of Chapter 2 of Part 27.

Additionally, the district must inform parents and guardians of (1) alternative educational programs available in the district, and (2) the right to meet with appropriate school personnel to discuss solutions to the pupil's truancy.

A truancy occurs when a student is absent from school without valid excuse three (3) full days in one school year, or is tardy or absent without valid excuse for more than any thirty (30)-minute period during the school day on n three (3) occasions in one school year, or any combination thereof. (Definition from Ed. Code, § 48260, as amended by Stats. 1994, ch. 1023 and Stats. 1995, ch. 19.)

Upon a student's initial classification as a truant, the school must perform the requirements mandated by Education Code section 48260.5 as enacted by Statutes 1983, chapter 498 and amended by Statutes 1994, chapter 1023, and Statutes 1995, chapter 19.

Board of Control Decision

On November 29, 1984, the State Board of Control determined that Education Code Section 48260.5, as added by Chapter 498, Statutes of 1983, constitutes a

A. Scope of Mandate

The eligible claimant shall be reimbursed for only those costs incurred for planning the notification process, revising district procedures, the printing and distribution of notification forms, and associated record keeping.

B. Reimbursable Activities

For each eligible school district the direct and indirect costs of labor, supplies, and services incurred for the following mandated program activities are reimbursable:

1. Planning and Preparation -- One-time

Planning the method of implementation, revising school district policies, and designing and printing the forms.

2. Notification process -- On-going

Identifying the truant pupils to receive the notification, preparing and distributing by first-class mail or other reasonable means the forms to parents/guardians, and associated recordkeeping to provide parents/guardians with the following required information upon a pupil's initial classification as a truant:

- a. That the pupil is truant.
- b. That the parent or guardian is obligated to compel the attendance of the pupil at school.
- c. That parents or guardians who fail to meet this obligation may be guilty of an infraction and subject to prosecution pursuant to Article 6 (commencing with Section 48260) of Chapter 2 of Part 27.
- d. That alternative educational programs are available in the district.
- e. That the parent or guardian has the right to meet with appropriate school personnel to discuss solutions to the pupil's truancy.
- f. That the pupil may be subject to prosecution under Section 48264.
- g. That the pupil may be subject to suspension, restriction, or delay of the pupil's driving privileges pursuant to Section 13202.7 of the Vehicle Code.
- h. That it is recommended that the parent or guardian accompany the pupil to school and attend classes with the pupil for one day.

C. Uniform Cost Allowance

Pursuant to Government Code section 17557, the Commission on State Mandates has adopted a uniform cost allowance for reimbursement in lieu of payment of total actual costs incurred. The uniform cost allowance is based on the number of initial notifications of truancy distributed pursuant to Education Code Section 48260.5, Chapter 498, Statutes of 1983.

For fiscal year 1992-93, the uniform cost allowance is \$10.21 per initial notification of truancy distributed. The cost allowance shall be adjusted each subsequent year by the Implicit Price Deflator.

3. Services and Supplies

Only expenditures which can be identified as a direct cost as a result of the mandated program can be claimed. List cost of materials which have been consumed or expended specifically for the purposes of this mandated program.

4. Allowable Overhead Costs

School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education. County offices of education must use the J-73A (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 V, 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.

For auditing purposes, documents must be kept on file for a period of 3 years from the date of final payment by the State Controller, unless otherwise specified by statute and be made available at the request of the State Controller or his agent.

A. Uniform Allowance Reimbursement

Documentation which indicates the total number of initial notifications of truancy distributed.

B. Reimbursement of Unique Costs

In addition to maintaining the **same** documentation as required for uniform cost allowance reimbursement, all costs claimed must be traceable to source documents **and/or** worksheets that show evidence of the validity of such costs.

VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENT

Any offsetting savings the claimants experience as a direct result of this statute must be deducted from the uniform cost allowance and actual cost reimbursement for unique circumstances claimed. In addition, reimbursement for this mandated

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

Tab 4

**RIVERSIDE UNIFIED SCHOOL DISTRICT
NOTIFICATION OF TRUANCY PROGRAM
JULY 1, 2003, THROUGH JUNE 30, 2007**

ANALYSIS OF STATISTICAL SAMPLE RESULTS

	Fiscal Year		
	2003-04	2004-05	2005-06
Non-reimbursable initial truancy notifications (A):			
Elementary Schools	36	40	38
Secondary Schools	3	2	3
Sample size (B):			
Elementary Schools	148	148	147
Secondary Schools	148	148	147
Error rate ((C) = (A) ÷ (B)):			
Elementary Schools	24.32%	27.03%	25.85%
Secondary Schools	2.03%	1.35%	2.04%
Population (D):			
Elementary Schools	9,214	9,395	8,016
Secondary Schools	8,705	9,706	8,083
Point estimate ((E) = (C) ÷ (D)):			
Elementary Schools	2,241	2,539	2,072
Secondary Schools	177	131	165
Confidence level factor (F) (95% confidence level)			
	1.96	1.96	1.96
Universe standard error (G):¹			
Elementary Schools	323	341	288
Secondary Schools	100	92	94
Upper limit (H) = (E) + ((F) x (G)):			
Elementary Schools (overstated)/understated	(2,874)	(3,207)	(2,636)
Secondary Schools (overstated)/understated	(373)	(311)	(349)
Lower limit (J) = (E) - ((F) x (G)):			
Elementary Schools (overstated)/understated	(1,608)	(1,871)	(1,508)
Secondary Schools (overstated)/understated	19	49	19

Source for formulas: <http://www.slideshare.net/mblakley/sampling-2599829>

$$^1 (G) = (D) \times \sqrt{\frac{(C) \times (1 - C)}{((B)-1) \times (1 - ((B) \div (D)))}}$$

**RIVERSIDE UNIFIED SCHOOL DISTRICT
NOTIFICATION OF TRUANCY PROGRAM
JULY 1, 2003, THROUGH JUNE 30, 2007**

CALCULATION OF AUDIT ADJUSTMENT RANGE

	Fiscal Year			Total
	2003-04	2004-05	2005-06	
<u>Elementary Schools</u>				
Number of unallowable initial truancy notifications - upper limit (H)	(2,874)	(3,207)	(2,636)	
Unclaimed initial truancy notifications	-	-	454	
Subtotal	(2,874)	(3,207)	(2,182)	
Uniform cost allowance	x \$13.66	x \$14.28	x \$15.54	
Subtotal	<u>\$ (39,259)</u>	<u>\$ (45,796)</u>	<u>\$ (33,908)</u>	\$ (118,963)
<u>Secondary schools</u>				
Number of unallowable initial truancy notifications - upper limit (H)	(373)	(311)	(349)	
Uniform cost allowance	x \$13.66	x \$14.28	x \$15.54	
Subtotal	<u>\$ (5,095)</u>	<u>\$ (4,441)</u>	<u>\$ (5,423)</u>	(14,959)
Audit adjustment, upper limit	<u>\$ (44,354)</u>	<u>\$ (50,237)</u>	<u>\$ (39,331)</u>	<u>\$ (133,922)</u>
<u>Elementary Schools</u>				
Number of unallowable initial truancy notifications - lower limit (J)	(1,608)	(1,871)	(1,508)	
Unclaimed initial truancy notifications	-	-	454	
Subtotal	(1,608)	(1,871)	(1,054)	
Uniform cost allowance	x \$13.66	x \$14.28	x \$15.54	
Subtotal	<u>\$ (21,965)</u>	<u>\$ (26,718)</u>	<u>\$ (16,379)</u>	\$ (65,062)
<u>Secondary schools</u>				
Number of unallowable initial truancy notifications - lower limit (J)	19	49	19	
Uniform cost allowance	x \$13.66	x \$14.28	x \$15.54	
Subtotal	<u>\$ 260</u>	<u>\$ 700</u>	<u>\$ 295</u>	1,255
Audit adjustment, lower limit	<u>\$ (21,705)</u>	<u>\$ (26,018)</u>	<u>\$ (16,084)</u>	<u>\$ (63,807)</u>

Tab 5

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS REMITTANCE ADVICE IS FOR INFORMATION PURPOSE ONLY.
THE WARRANT COVERING THE AMOUNT SHOWN WILL BE MAILED
DIRECTLY TO THE PAYEE.

BOARD OF TRUSTEES
RIVERSIDE UNIFIED SCHOOL DIST
RIVERSIDE COUNTY
6050 INDUSTRIAL AVENUE
RIVERSIDE CA 92504

WARRANT AMT: ***244,101.00

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00048

ISSUE DATE: 09/12/2006

CLAIM SCHEDULE NBR: MA62121A

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTION, CALL MOHAMMED AZIZ @ 916-323-2892

ACL : 498/83

PROG : NOTICE OF TRUANCY CH 498/83

2003/2004 ACTUAL PAYMENT

CLAIMED AMT: 245,101.00

TOTAL ADJUSTMENTS: (SEE BELOW)

1,000.00

TOTAL APPROVED CLAIMED AMT:

244,101.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

100.000000

PRORATA BALANCE DUE:

.00

APPROVED PAYMENT AMOUNT:

244,101.00

PAYMENT OFFSETS -NONE

NET PAYMENT AMOUNT:

244,101.00

ADJUSTMENTS ITEMIZED:

LATE CLAIM PENALTY

=====

1,000.00-

Tab 6

S33120
00048
2010/02/25

FEBRUARY 25, 2010
BOARD OF TRUSTEES
RIVERSIDE UNIFIED SCHOOL DIST
RIVERSIDE COUNTY
6050 INDUSTRIAL AVENUE
RIVERSIDE CA 92504

DEAR CLAIMANT:

RE: NOTICE OF TRUANCY CH 498/83

WE HAVE REVIEWED YOUR 2003/2004 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED		245,101.00
TOTAL ADJUSTMENTS (DETAILS BELOW)	-	34,358.00
TOTAL PRIOR PAYMENTS (DETAILS BELOW)		-244,101.00

AMOUNT DUE STATE	\$	33,358.00
		=====

PLEASE REMIT A WARRANT IN THE AMOUNT OF \$ 33,358.00 WITHIN 30 DAYS FROM THE DATE OF THIS LETTER, PAYABLE TO THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875 WITH A COPY OF THIS LETTER. FAILURE TO REMIT THE AMOUNT DUE WILL RESULT IN OUR OFFICE PROCEEDING TO OFFSET THE AMOUNT FROM THE NEXT PAYMENTS DUE TO YOUR AGENCY FOR STATE MANDATED COST PROGRAMS.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT TIFFANY HOANG AT (916) 323-1127 OR IN WRITING AT THE ABOVE ADDRESS.

ADJUSTMENT TO CLAIM:

LATE CLAIM PENALTY	-	1,000.00	
FIELD AUDIT FINDINGS	-	33,358.00	
TOTAL ADJUSTMENTS			- 34,358.00
PRIOR PAYMENTS:			
SCHEDULE NO. MA62121A			
PAID 09-12-2006		0.00	
TOTAL PRIOR PAYMENTS			-244,101.00

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.

NO WARRANT WILL BE MAILED.

THE NET PAYMENT AMOUNT WAS ZERO.

BOARD OF TRUSTEES *****.00

RIVERSIDE UNIFIED SCHOOL DIST

RIVERSIDE COUNTY

6050 INDUSTRIAL AVENUE

RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00272

ISSUE DATE: 12/06/2010

CLAIM SCHEDULE NBR: MA03301A

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTIONS PLEASE CALL KIM NGUYEN AT (916) 324-7876

ACL : CH. 448/75

PROG : ANNUAL PARENT CONSOL: 36/77-S

2008/2009 ACTUAL PAYMENT

CLAIMED AMT: 101,083.00

TOTAL ADJUSTMENTS:

.00

TOTAL APPROVED CLAIMED AMT:

101,083.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

81.234253

PRORATA BALANCE DUE:

18,969.00-

APPROVED PAYMENT AMOUNT:

82,114.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83

NOTICE OF TRUANCY : 49 04/05

2,410-

CH. 498/83

NOTICE OF TRUANCY : 49 06/07

46,437-

498/83

NOTICE OF TRUANCY : 49 03/04

33,267-

NET PAYMENT AMOUNT:

.00

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.

NO WARRANT WILL BE MAILED.

THE NET PAYMENT AMOUNT WAS ZERO.

BOARD OF TRUSTEES *****.00
RIVERSIDE UNIFIED SCHOOL DIST
RIVERSIDE COUNTY
6050 INDUSTRIAL AVENUE
RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00048

ISSUE DATE: 06/14/2010

CLAIM SCHEDULE NBR: MA94424A

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTIONS PLS CONTACT ELLEN SOLIS (916) 323-0698

ACL : 498/83

PROG : NOTICE OF TRUANCY CH 498/83

2007/2008 ACTUAL PAYMENT

CLAIMED AMT: 288,887.00

TOTAL ADJUSTMENTS: (SEE BELOW)

10,000.00

TOTAL APPROVED CLAIMED AMT:

278,887.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

.005663

PRORATA BALANCE DUE:

278,879.00-

APPROVED PAYMENT AMOUNT:

8.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83

NOTICE OF TRUANCY CH 498 03/04

8-

NET PAYMENT AMOUNT:

.00

ADJUSTMENTS ITEMIZED:

LATE CLAIM PENALTY

=====

10,000.00-

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.

NO WARRANT WILL BE MAILED.

THE NET PAYMENT AMOUNT WAS ZERO.

BOARD OF TRUSTEES *****.00
 RIVERSIDE UNIFIED SCHOOL DIST
 RIVERSIDE COUNTY
 6050 INDUSTRIAL AVENUE
 RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00272

ISSUE DATE: 06/14/2010

CLAIM SCHEDULE NBR: MA94212A

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTIONS REGARDING THIS CLAIM CALL VAL 916 323-0734

ACL : 448/75

PROG : CONSOLIDATION OF APN (S)

2007/2008 ACTUAL PAYMENT

CLAIMED AMT: 93,196.00

TOTAL ADJUSTMENTS: (SEE BELOW)

9,320.00

TOTAL APPROVED CLAIMED AMT:

83,876.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

.010827

PRORATA BALANCE DUE:

83,871.00-

APPROVED PAYMENT AMOUNT:

5.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83

NOTICE OF TRUANCY CH 498 03/04

5-

NET PAYMENT AMOUNT:

.00

ADJUSTMENTS ITEMIZED:

=====

LATE CLAIM PENALTY

9,320.00-

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.

NO WARRANT WILL BE MAILED.

THE NET PAYMENT AMOUNT WAS ZERO.

BOARD OF TRUSTEES *****.00
 RIVERSIDE UNIFIED SCHOOL DIST
 RIVERSIDE COUNTY
 6050 INDUSTRIAL AVENUE
 RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00032

ISSUE DATE: 06/14/2010

CLAIM SCHEDULE NBR: MA94211A

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTIONS REGARDING THIS CLAIM CALL VAL 916 323-0734

ACL : 1176/77

PROG : IMMUNIZATION RECORD CH 1176/77

2007/2008 ACTUAL PAYMENT

CLAIMED AMT: 28,009.00

TOTAL ADJUSTMENTS: (SEE BELOW) .00

TOTAL APPROVED CLAIMED AMT: 28,009.00

LESS PRIOR PAYMENTS: .00

PRORATA PERCENT: .022900

PRORATA BALANCE DUE: 28,310.00-

APPROVED PAYMENT AMOUNT: 6.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83 NOTICE OF TRUANCY CH 498 03/04 6-

NET PAYMENT AMOUNT: .00

ADJUSTMENTS ITEMIZED: =====

SMAS ADJUSTMENTS 307.00

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.

NO WARRANT WILL BE MAILED.

THE NET PAYMENT AMOUNT WAS ZERO.

BOARD OF TRUSTEES *****.00
RIVERSIDE UNIFIED SCHOOL DIST
RIVERSIDE COUNTY
6050 INDUSTRIAL AVENUE
RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00230

ISSUE DATE: 06/14/2010

CLAIM SCHEDULE NBR: MA94209A

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTIONS REGARDING THIS CLAIM CALL VAL 916 323-0734

ACL : 325/78

PROG : IMMUN RECS: HEPA B CH 325/78

2007/2008 ACTUAL PAYMENT

CLAIMED AMT: 23,641.00

TOTAL ADJUSTMENTS: (SEE BELOW)

2,364.00

TOTAL APPROVED CLAIMED AMT:

21,277.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

.018070

PRORATA BALANCE DUE:

21,273.00-

APPROVED PAYMENT AMOUNT:

4.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83

NOTICE OF TRUANCY CH 498 03/04

4-

NET PAYMENT AMOUNT:

.00

ADJUSTMENTS ITEMIZED:

LATE CLAIM PENALTY

=====

2,364.00-

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.

NO WARRANT WILL BE MAILED.

THE NET PAYMENT AMOUNT WAS ZERO.

BOARD OF TRUSTEES *****.00
 RIVERSIDE UNIFIED SCHOOL DIST
 RIVERSIDE COUNTY
 6050 INDUSTRIAL AVENUE
 RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00058

ISSUE DATE: 06/14/2010

CLAIM SCHEDULE NBR: MA94420A

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTIONS PLS CONTACT ELLEN SOLIS (916) 323-0698

ACL : 1347/80

PROG : SCOLIOSIS SCREENING CH 1347/80

2007/2008 ACTUAL PAYMENT

CLAIMED AMT: 25,461.00

TOTAL ADJUSTMENTS: (SEE BELOW)

241.00

TOTAL APPROVED CLAIMED AMT:

25,220.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

.029746

PRORATA BALANCE DUE:

25,212.00-

APPROVED PAYMENT AMOUNT:

8.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83

NOTICE OF TRUANCY CH 498 03/04

8-

NET PAYMENT AMOUNT:

.00

ADJUSTMENTS ITEMIZED:

=====

LATE CLAIM PENALTY

241.00-

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.

NO WARRANT WILL BE MAILED.

THE NET PAYMENT AMOUNT WAS ZERO.

BOARD OF TRUSTEES *****.00
 RIVERSIDE UNIFIED SCHOOL DIST
 RIVERSIDE COUNTY
 6050 INDUSTRIAL AVENUE
 RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00155

ISSUE DATE: 06/14/2010

CLAIM SCHEDULE NBR: MA94410A

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTIONS PLS. CONTACT ELLEN SOLIS (916) 323-0698

ACL : 1011/84

PROG : JUV COURT NOTICES II CH1423/84

2007/2008 ACTUAL PAYMENT

CLAIMED AMT: 15,887.00

TOTAL ADJUSTMENTS: (SEE BELOW)

1,589.00

TOTAL APPROVED CLAIMED AMT:

14,298.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

.086213

PRORATA BALANCE DUE:

14,286.00-

APPROVED PAYMENT AMOUNT:

12.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83

NOTICE OF TRUANCY CH 498 03/04

12-

NET PAYMENT AMOUNT:

.00

ADJUSTMENTS ITEMIZED:

LATE CLAIM PENALTY

=====

1,589.00-

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.

NO WARRANT WILL BE MAILED.

THE NET PAYMENT AMOUNT WAS ZERO.

BOARD OF TRUSTEES *****.00
RIVERSIDE UNIFIED SCHOOL DIST
RIVERSIDE COUNTY
6050 INDUSTRIAL AVENUE
RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00026

ISSUE DATE: 06/14/2010

CLAIM SCHEDULE NBR: MA93716A

REIMBURSEMENT OF STATE MANDATED COSTS

IF YOU HAVE ANY QUESTIONS PLEASE CALL TIFFANY AT 916-323-1127

ACL : 498/83

PROG : GRADUATION REQ'MENTS CH 498/83

2007/2008 ACTUAL PAYMENT

CLAIMED AMT: 1,734,656.00

TOTAL ADJUSTMENTS:

.00

TOTAL APPROVED CLAIMED AMT:

1,734,656.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

.002788

PRORATA BALANCE DUE:

1,734,608.00-

APPROVED PAYMENT AMOUNT:

48.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83

NOTICE OF TRUANCY CH 498 03/04

48-

NET PAYMENT AMOUNT:

.00

Tab 7

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS REMITTANCE ADVICE IS FOR INFORMATION PURPOSE ONLY.
THE WARRANT COVERING THE AMOUNT SHOWN WILL BE MAILED
DIRECTLY TO THE PAYEE.

BOARD OF TRUSTEES
RIVERSIDE UNIFIED SCHOOL DIST
RIVERSIDE COUNTY
6050 INDUSTRIAL AVENUE
RIVERSIDE CA 92504

WARRANT AMT: ***272,234.00

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00048

ISSUE DATE: 03/14/2007

CLAIM SCHEDULE NBR: MA62101Z

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTION, CALL MOHAMMED AZIZ @ 916-323-2892

ACL : 498/83

PROG : NOTICE OF TRUANCY CH 498/83

2004/2005 ACTUAL PAYMENT

CLAIMED AMT: 273,234.00

TOTAL ADJUSTMENTS: (SEE BELOW)

1,000.00

TOTAL APPROVED CLAIMED AMT:

272,234.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

100.000000

PRORATA BALANCE DUE:

.00

APPROVED PAYMENT AMOUNT:

272,234.00

PAYMENT OFFSETS -NONE

NET PAYMENT AMOUNT:

272,234.00

ADJUSTMENTS ITEMIZED:

LATE CLAIM PENALTY

=====

1,000.00-

Tab 8

S33120
00048
2010/02/27

FEBRUARY 27, 2010
BOARD OF TRUSTEES
RIVERSIDE UNIFIED SCHOOL DIST
RIVERSIDE COUNTY
6050 INDUSTRIAL AVENUE
RIVERSIDE CA 92504

DEAR CLAIMANT:

RE: NOTICE OF TRUANCY CH 498/83

WE HAVE REVIEWED YOUR 2004/2005 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED		273,234.00
TOTAL ADJUSTMENTS (DETAILS BELOW)	-	39,599.00
TOTAL PRIOR PAYMENTS (DETAILS BELOW)		-272,234.00

AMOUNT DUE STATE	\$	38,599.00
		=====

PLEASE REMIT A WARRANT IN THE AMOUNT OF \$ 38,599.00 WITHIN 30 DAYS FROM THE DATE OF THIS LETTER, PAYABLE TO THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875 WITH A COPY OF THIS LETTER. FAILURE TO REMIT THE AMOUNT DUE WILL RESULT IN OUR OFFICE PROCEEDING TO OFFSET THE AMOUNT FROM THE NEXT PAYMENTS DUE TO YOUR AGENCY FOR STATE MANDATED COST PROGRAMS.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT TIFFANY HOANG AT (916) 323-1127 OR IN WRITING AT THE ABOVE ADDRESS.

ADJUSTMENT TO CLAIM:

LATE CLAIM PENALTY	-	1,000.00	
FIELD AUDIT FINDINGS	-	38,599.00	
TOTAL ADJUSTMENTS			- 39,599.00
PRIOR PAYMENTS:			
SCHEDULE NO. MA62101Z			
PAID 03-14-2007		0.00	
TOTAL PRIOR PAYMENTS			-272,234.00

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS REMITTANCE ADVICE IS FOR INFORMATION PURPOSE ONLY.
THE WARRANT COVERING THE AMOUNT SHOWN WILL BE MAILED
DIRECTLY TO THE PAYEE.

BOARD OF TRUSTEES
RIVERSIDE UNIFIED SCHOOL DIST
RIVERSIDE COUNTY
6050 INDUSTRIAL AVENUE
RIVERSIDE CA 92504

WARRANT AMT: ***490,013.00

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00260

ISSUE DATE: 12/06/2010

CLAIM SCHEDULE NBR: MA04209A

REIMBURSEMENT OF STATE MANDATED COSTS

FOR QUESTION PLEASE CALL VAL @ 916-323-0734

ACL : CH. 498/83

PROG : THE STULL ACT

: 498/83-S

2008/2009 ACTUAL PAYMENT

CLAIMED AMT:

655,595.00

TOTAL ADJUSTMENTS:

.00

TOTAL APPROVED CLAIMED AMT:

655,595.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

80.263242

PRORATA BALANCE DUE:

129,393.00-

APPROVED PAYMENT AMOUNT:

526,202.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83

NOTICE OF TRUANCY : 49 04/05

36,189-

NET PAYMENT AMOUNT:

490,013.00

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.

NO WARRANT WILL BE MAILED.

THE NET PAYMENT AMOUNT WAS ZERO.

BOARD OF TRUSTEES *****.00
RIVERSIDE UNIFIED SCHOOL DIST
RIVERSIDE COUNTY
6050 INDUSTRIAL AVENUE
RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00272

ISSUE DATE: 12/06/2010

CLAIM SCHEDULE NBR: MA03301A

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTIONS PLEASE CALL KIM NGUYEN AT (916) 324-7876

ACL : CH. 448/75

PROG : ANNUAL PARENT CONSOL: 36/77-S

2008/2009 ACTUAL PAYMENT

CLAIMED AMT: 101,083.00

TOTAL ADJUSTMENTS:

.00

TOTAL APPROVED CLAIMED AMT:

101,083.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

81.234253

PRORATA BALANCE DUE:

18,969.00-

APPROVED PAYMENT AMOUNT:

82,114.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83

NOTICE OF TRUANCY : 49 04/05

2,410-

CH. 498/83

NOTICE OF TRUANCY : 49 06/07

46,437-

498/83

NOTICE OF TRUANCY : 49 03/04

33,267-

NET PAYMENT AMOUNT:

.00

Tab 9

State Controller's Office
 Division of Accounting and Reporting
 Apportionment Payment Applied to State Mandated Claims
 Claimant's Account Summary
 As of December 01, 2012

Claimant Name: RIVERSIDE UNIFIED SCHOOL DISTRICT

Apportionment Amount: \$ 1,275,446

(A) Program Name	(B) Program Number	(C) Legal Reference	(D) Fiscal Year	(E) Claim Offset	(F) Accrued Interest Offset	(G) Apportionment Offset (E)+(F)
Annual Parent Notification III	221	Ch. 448/75	20002001	\$ -	\$ 3,259	\$ 3,259
Civic Center Act	114	Ch. 49/84	19901991	-	186	186
Civic Center Act	114	Ch. 49/84	19911992	-	332	332
Civic Center Act	114	Ch. 49/84	19921993	-	752	752
Collective Bargaining	11	Ch. 961/75, 1213/91	19941995	-	11,145	11,145
Consolidation of Annual Parent Notification/Schoolsite Discipline Rules/Alternative Schools	272	Ch. 36/77, et.al	20042005	-	2,775	2,775
Consolidation of Annual Parent Notification/Schoolsite Discipline Rules/Alternative Schools	272	Ch. 36/77, et.al	20052006	88,024	7,936	95,960
Immunization Records	32	Ch. 1176/77	20052006	25,687	2,319	28,006
Immunization Records	32	Ch. 1176/77	20062007	22,319	1,001	23,320
Immunization Records - Hepatitis B	230	Ch. 325/78	20052006	21,743	1,957	23,700
Juvenile Court Notices II	155	Ch. 1423/84	20052006	15,063	1,358	16,421
Law Enforcement Agency Notification	157	Ch. 1117/89	19941995	-	19	19
Law Enforcement Agency Notification	157	Ch. 1117/89	19951996	-	19	19
Notification of Truancy	48	Ch. 498/83	20052006	215,415	19,421	234,836
Open Meetings Act /Brown Act Reform	218	Ch. 641/86	20012002	32,112	6,252	38,364
Open Meetings Act /Brown Act Reform	218	Ch. 641/86	20022003	18,669	3,211	21,880
Open Meetings Act /Brown Act Reform	218	Ch. 641/86	20032004	21,021	2,894	23,915
Open Meetings Act II	201	Ch. 641/86	20002001	16,778	3,567	20,345
Pupil Exclusions	165	Ch. 668/78	19931994	-	126	126
Pupil Exclusions	165	Ch. 668/78	19941995	-	129	129
Pupil Exclusions	165	Ch. 668/78	19951996	-	133	133
Pupil Exclusions	165	Ch. 668/78	19961997	-	151	151
Pupil Exclusions	165	Ch. 668/78	19971998	-	359	359
Pupil Exclusions	165	Ch. 668/78	19981999	-	33	33
Pupil Exclusions	165	Ch. 668/78	20002001	-	16	16
Pupil Exclusions	165	Ch. 668/78	20012002	-	16	16
Removal of Chemicals	57	Ch. 1107/84	19992000	-	118	118
Removal of Chemicals	57	Ch. 1107/84	20012002	6,922	1,445	8,367
Removal of Chemicals	57	Ch. 1107/84	20032004	40,209	5,545	45,754
School Accountability Report Cards	171	Ch. 1463/89	19961997	-	335	335

State Controller's Office
 Division of Accounting and Reporting
 Apportionment Payment Applied to State Mandated Claims
 Claimant's Account Summary
 As of December 01, 2012

(A) Program Name	(B) Program Number	(C) Legal Reference	(D) Fiscal Year	(E) Claim Offset	(F) Accrued Interest Offset	(G) Apportionment Offset (E)+(F)
School Accountability Report Cards	171	Ch. 1463/89	19971998	\$ -	\$ 497	\$ 497
School Accountability Report Cards	171	Ch. 1463/89	20002001	-	468	468
School Bus Safety I and II	184	Ch. 624/92	19961997	5,589	1,339	6,928
School Bus Safety I and II	184	Ch. 624/92	19971998	11,271	2,701	13,972
School Bus Safety I and II	184	Ch. 624/92	19981999	12,207	2,925	15,132
School Bus Safety I and II	184	Ch. 624/92	19992000	16,283	3,902	20,185
School Bus Safety I and II	184	Ch. 624/92	20002001	13,819	2,960	16,779
School Crimes Reporting II	190	Ch. 1607/84	20002001	-	2,967	2,967
School District of Choice: Transfers and Appeals	156	Ch. 160/93	20002001	-	3,809	3,809
Scoliosis Screening	58	Ch. 1347/80	20052006	20,452	1,844	22,296
Standardized Testing and Reporting	208	Ch. 828/97	19992000	280,277	54,569	334,846
Standardized Testing and Reporting	208	Ch. 828/97	20002001	170,554	33,206	203,760
The Stull Act	260	Ch. 498/83	20052006	33,036	-	33,036
Riverside Unified School District Total				\$ 1,087,450	\$ 187,996	\$ 1,275,446

30	73924	Los Alamitos Unified			9,248.18	\$	293,144
31	10314	Placer Co. Office of Education			583.04	\$	18,481
31	66761	Ackerman Elementary	00D9	N	480.51	\$	15,231
31	66779	Alta-Dutch Flat Union Elementary			112.74	\$	3,574
31	66787	Auburn Union Elementary			2,030.13	\$	64,350
31	66795	119214 CORE Placer Charter	1064	D	220.07	\$	6,976
31	66795	Colfax Elementary			364.66	\$	11,559
31	66803	Dry Creek Joint Elementary			6,999.72	\$	221,873
31	66829	Eureka Union Elementary			3,392.11	\$	107,521
31	66837	Foresthill Union Elementary			462.47	\$	14,659
31	66845	Loomis Union Elementary			2,415.75	\$	76,573
31	66852	Newcastle Elementary			443.14	\$	14,046
31	66886	Placer Hills Union Elementary			1,020.66	\$	32,352
31	66894	Placer Union High			4,112.38	\$	130,352
31	66910	Roseville City Elementary			9,217.69	\$	292,177
31	66928	Roseville Joint Union High			9,296.92	\$	294,689
31	66944	Tahoe-Truckee Joint Unified			3,680.14	\$	116,651
31	66951	3130168 Horizon Charter School	15	D	2,918.08	\$	92,496
31	66951	Western Placer Unified			6,149.79	\$	194,933
31	75085	114371 Rocklin Academy at Meyers Street	900	D	154.71	\$	4,904
31	75085	117879 Maria Montessori Charter Academy	1042	D	234.36	\$	7,429
31	75085	6118392 Rocklin Academy	308	D	382.50	\$	12,124
31	75085	Rocklin Unified			10,143.97	\$	321,538
31	76570	119487 Western Sierra Collegiate Academy	1071	D	146.01	\$	4,628
32	10322	Plumas Co. Office of Education			22.91	\$	726
32	66969	3230083 Plumas Charter School	146	D	182.24	\$	5,777
32	66969	Plumas Unified			2,023.36	\$	64,135
33	10330	110833 River Springs Charter School	753	D	3,767.11	\$	119,408
33	10330	Riverside Co. Office of Education			2,653.84	\$	84,120
33	66977	Alvord Unified			18,860.87	\$	597,841
33	66985	Banning Unified			4,308.38	\$	136,565
33	66993	Beaumont Unified			7,836.12	\$	248,385
33	67033	Corona-Norco Unified			50,549.27	\$	1,602,283
33	67041	Desert Center Unified			18.59	\$	589
33	67058	Desert Sands Unified			27,677.18	\$	877,296
33	67082	Hemet Unified			21,004.76	\$	665,797
33	67090	Jurupa Unified			19,467.55	\$	617,072
33	67116	109843 Santa Rosa Academy	730	D	581.87	\$	18,444
33	67116	Menifee Union Elementary			8,452.64	\$	267,927
33	67124	Moreno Valley Unified			34,174.56	\$	1,083,246
33	67157	120279 Mercury On-Line Academy of Southern California	1104	D	94.06	\$	2,981
33	67157	Nuview Union Elementary			1,894.19	\$	60,041
33	67173	Palm Springs Unified			22,413.19	\$	710,441
33	67181	Palo Verde Unified			3,333.77	\$	105,672
33	67199	Perris Elementary			5,434.22	\$	172,251
33	67207	Perris Union High			9,756.12	\$	309,244
33	67215	106526 Gateway to College Early College High School	620	D	173.56	\$	5,501
33	67215	Riverside Unified			40,238.12	\$	1,275,446
33	67231	Romoland Elementary			2,799.46	\$	88,736
33	67249	6114748 San Jacinto Valley Academy	129	D	554.90	\$	17,589
33	67249	San Jacinto Unified			8,463.66	\$	268,276
33	73676	Coachella Valley Unified			17,446.04	\$	552,995
33	75176	120204 Sycamore Academy of Science and Cultural Arts	1118	D	235.53	\$	7,466
33	75176	Lake Elsinore Unified			20,835.11	\$	660,420
33	75192	3330917 Temecula Preparatory School	284	D	667.19	\$	21,148
33	75192	6112551 Temecula Valley Charter School	65	D	418.84	\$	13,276
33	75192	Temecula Valley Unified			27,715.75	\$	878,519
33	75200	Murrieta Valley Unified			20,934.39	\$	663,567
33	75242	Val Verde Unified			18,522.42	\$	587,113
34	10348	Sacramento Co. Office of Education			876.86	\$	27,794
34	67280	Arcohe Union Elementary			419.73	\$	13,304
34	67314	111732 California Montessori Project-Elk Grove Campus	777	D	275.82	\$	8,743
34	67314	Elk Grove Unified			59,028.51	\$	1,871,053
34	67322	Elverta Joint Elementary			263.45	\$	8,351
34	67330	Folsom-Cordova Unified			18,350.81	\$	581,674
34	67348	Galt Joint Union Elementary			3,928.23	\$	124,515
34	67355	Galt Joint Union High			2,132.47	\$	67,594

127,719,655

CONTROLLER OF CALIFORNIA, STATE OF CALIFORNIA

P O BOX 942850, SACRAMENTO, CA 94250-0001

REMITTANCE ADVICE

CLAIM SCHEDULE NUMBER: 1000148A
PAYMENT ISSUE DATE: 01/28/2011

RIVERSIDE COUNTY TREASURER
C/O UNION BANK OF CA ST GOV
PO BOX 4035
SACRAMENTO, CA 95812 4035

Financial Activity

Additional Description:

For the purpose of offsetting the 2009-10 outstanding balance of the state minimum funding obligation to school districts. (Education Code section 41207.4)

For standardized account code structure coding, use Resource Code 0000, Unrestricted, and Revenue Object Code 8550, Mandated Cost Reimbursements.

Collection Period: 07/01/2010 To 06/30/2011

Payment Calculations:

Allocated Amt	12,719,655.00
Gross Claim	\$12,719,655.00
Net Claim / Payment Amount	\$12,719,655.00
YTD Amount:	\$12,719,655.00

For assistance, please call: Linda Brida at (916) 324-8605

**Per-ADA Apportionment Pursuant to Education Code Section 41207.4
Fiscal Year 2010-11**

ADA Reported at 2009-10				
County Code	County Name	Second Principal Apportionment		Apportionment Amount
01	Alameda	203,834.67	\$	6,461,041
02	Alpine	102.29	\$	3,242
03	Amador	4,193.78	\$	132,932
04	Butte	29,682.94	\$	940,873
05	Calaveras	6,016.46	\$	190,706
06	Colusa	4,273.80	\$	135,469
07	Contra Costa	159,379.93	\$	5,051,937
08	Del Norte	4,066.48	\$	128,897
09	El Dorado	28,317.96	\$	897,607
10	Fresno	182,281.94	\$	5,777,874
11	Glenn	5,470.23	\$	173,391
12	Humboldt	17,103.47	\$	542,137
13	Imperial	34,523.31	\$	1,094,302
14	Inyo	3,219.04	\$	102,036
15	Kern	164,981.79	\$	5,229,502
16	Kings	26,997.32	\$	855,745
17	Lake	8,658.52	\$	274,453
18	Lassen	4,533.95	\$	143,713
19	Los Angeles	1,529,319.09	\$	48,475,510
20	Madera	28,104.90	\$	890,853
21	Marin	28,796.56	\$	912,778
22	Mariposa	1,999.90	\$	63,392
23	Mendocino	12,162.48	\$	385,520
24	Merced	53,280.71	\$	1,688,859
25	Modoc	1,521.14	\$	48,216
26	Mono	1,553.91	\$	49,254
27	Monterey	67,179.31	\$	2,129,413
28	Napa	19,489.51	\$	617,768
29	Nevada	12,526.57	\$	397,059
30	Orange	484,411.67	\$	15,354,615
31	Placer	64,961.55	\$	2,059,116
32	Plumas	2,228.51	\$	70,638
33	Riverside	401,283.26	\$	12,719,655
34	Sacramento	225,507.01	\$	7,147,998
35	San Benito	10,772.36	\$	341,457
36	San Bernardino	395,234.25	\$	12,527,914
37	San Diego	473,572.45	\$	15,011,043
38	San Francisco	53,956.38	\$	1,710,280

Tab 10

CONTROLLER OF CALIFORNIA

S33120

P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.

NO WARRANT WILL BE MAILED.

THE NET PAYMENT AMOUNT WAS ZERO.

BOARD OF TRUSTEES

*****.00

RIVERSIDE UNIFIED SCHOOL DIST

RIVERSIDE COUNTY

6050 INDUSTRIAL AVENUE

RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00048

ISSUE DATE: 03/12/2007

CLAIM SCHEDULE NBR: MA62197E

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTION, CALL MOHAMMED AZIZ@ 916-323-2892

ACL : CH. 498/83

PROG : NOTICE OF TRUANCY CH 498/83

2006/2007 ESTIMATED PAYMENT

CLAIMED AMT: 260,000.00

TOTAL ADJUSTMENTS:

.00

TOTAL APPROVED CLAIMED AMT:

260,000.00

LESS PRIOR PAYMENTS:

.00

PRORATA PERCENT:

17.860490

PRORATA BALANCE DUE:

213,563.00-

APPROVED PAYMENT AMOUNT:

46,437.00

PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

CH 498/83

GRADUATION REQ'MENTS CH 05/06

46,437-

NET PAYMENT AMOUNT:

.00

Tab 11

CONTROLLER OF CALIFORNIA
P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

S33120

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BOARD OF TRUSTEES *****.00
RIVERSIDE UNIFIED SCHOOL DIST
RIVERSIDE COUNTY
6050 INDUSTRIAL AVENUE
RIVERSIDE CA 92504

PAYEE: TREASURER, RIVERSIDE UNIFIED SCHOOL DIST

FUND NAME: GENERAL FUND

PGM NBR: 00272

ISSUE DATE: 12/06/2010

CLAIM SCHEDULE NBR: MA03301A

REIMBURSEMENT OF STATE MANDATED COSTS

ANY QUESTIONS PLEASE CALL KIM NGUYEN AT (916) 324-7876

ACL : CH. 448/75

PROG : ANNUAL PARENT CONSOL: 36/77-S

2008/2009 ACTUAL PAYMENT

CLAIMED AMT: 101,083.00

TOTAL ADJUSTMENTS:

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TOTAL APPROVED CLAIMED AMT:

101,083.00

LESS PRIOR PAYMENTS:

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PRORATA PERCENT:

81.234253

PRORATA BALANCE DUE:

18,969.00-

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PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.):

498/83

NOTICE OF TRUANCY : 49 04/05

2,410-

CH. 498/83

NOTICE OF TRUANCY : 49 06/07

46,437-

498/83

NOTICE OF TRUANCY : 49 03/04

33,267-

NET PAYMENT AMOUNT:

.00

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Solano and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

On October 7, 2014, I served the:

SCO Comments

Incorrect Reduction Claim

Notification of Truancy, 10-904133-I-10 and 13-904133-I-12

Education Code Sections 48260 and 48260.5, Statutes 1983, Chapter 498

Fiscal Years: 2003-2004, 2004-2005, 2005-2006, and 2006-2007

Riverside Unified School District, Claimant

by making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on October 7, 2014 at Sacramento, California.



Heidi J. Palchik
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 8/13/14

Claim Number: 10-904133-I-10 and 13-904133-I-12

Matter: Notification of Truancy

Claimant: Riverside Unified School District

TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.3.)

Socorro Aquino, *State Controller's Office*

Division of Audits, 3301 C Street, Suite 700, Sacramento, CA 95816

Phone: (916) 322-7522

SAquino@sco.ca.gov

Marieta Delfin, *State Controller's Office*

Division of Accounting and Reporting, 3301 C Street, Suite 700, Sacramento, CA 95816

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Chris.Ferguson@dof.ca.gov

Michael Fine, *Riverside Unified School District*

Business Services & Government Relations, 3380 Fourteenth Street, Riverside, CA 92501

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mfine@rusd.k12.ca.us

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Jay Lal, *State Controller's Office (B-08)*

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Robert Miyashiro, *Education Mandated Cost Network*

1121 L Street, Suite 1060, Sacramento, CA 95814

Phone: (916) 446-7517
robertm@sscal.com

Keith Nezaam, *Department of Finance*

915 L Street, 8th Floor, Sacramento, CA 95814

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Keith.Nezaam@dof.ca.gov

Andy Nichols, *Nichols Consulting*

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915 L Street, Sacramento, CA 95814

Phone: (916) 445-0328
christian.osmena@dof.ca.gov

Keith Petersen, *SixTen & Associates*

Claimant Representative

P.O. Box 340430, Sacramento, CA 95834-0430

Phone: (916) 419-7093
kpbsixten@aol.com

Sandra Reynolds, *Reynolds Consulting Group, Inc.*

P.O. Box 894059, Temecula, CA 92589

Phone: (951) 303-3034

sandrareynolds_30@msn.com

Kathy Rios, *State Controller's Office*

Division of Accounting and Reporting, 3301 C Street, Suite 700, Sacramento, CA 95816

Phone: (916) 324-5919

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Education Systems Unit, 915 L Street, 7th Floor, 915 L Street, 7th Floor, Sacramento, CA 95814

Phone: (916) 445-0328

nicolas.schweizer@dof.ca.gov

David Scribner, *Max8550*

2200 Sunrise Boulevard, Suite 240, Gold River, CA 95670

Phone: (916) 852-8970

dscribner@max8550.com

Jim Spano, Chief, Mandated Cost Audits Bureau, *State Controller's Office*

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