

ITEM 14
PROPOSED STATEWIDE COST ESTIMATE
STAFF ANALYSIS

Statutes 1997, Chapter 855

Statutes 1998, Chapter 846

Attendance Accounting (98-TC-26)

Campbell Union High School District, Grant Joint Union High School District,
and San Luis Obispo County Office of Education, Claimants

EXECUTIVE SUMMARY

On October 24, 2002, the Commission on State Mandates (Commission) adopted its Statement of Decision for the *Attendance Accounting* program, finding that the test claim legislation constitutes a reimbursable state-mandated program upon school districts and county offices of education within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514 by imposing new attendance reporting requirements.

The claimant, Campbell Union High School District, filed the test claim on June 29, 1999. Subsequent amendments added Grant Joint Union High School District and San Luis Obispo County Office of Education as co-claimants. The Commission adopted the Statement of Decision on October 24, 2002, and the parameters and guidelines on July 31, 2003. Eligible claimants were required to file initial reimbursement claims with the State Controller's Office (SCO) by February 3, 2004.

The SCO provided unaudited claims totals to the Commission on May 19, 2004. Staff reviewed this data and actual reimbursement claims to develop the proposed statewide cost estimate. The proposed statewide cost estimate includes one fiscal year for a total cost of \$49,086.

Staff Recommendation

Staff recommends that the Commission adopt the proposed statewide cost estimate for costs incurred in complying with the *Attendance Accounting* program. If the statewide cost estimate is adopted, staff will report the estimate to the Legislature.

STAFF ANALYSIS

Background and Summary of the Mandate

The test claim arose from enactments of or amendments to the Education Code that added new student attendance reporting requirements for school districts and county offices of education. On October 24, 2002, the Commission on State Mandates (Commission) adopted its Statement of Decision finding that Education Code sections 2550.3 and 42238.7 impose costs mandated by the state pursuant to Government Code section 17514, for the one-time activity for school districts and county offices of education to complete and return a “Worksheet for Determining the Adjusted 1998-99 Base Revenue Limit in Accordance with SB 727” to the Superintendent of Public Instruction.

The claimant, Campbell Union High School District, filed the test claim on June 29, 1999. Subsequent amendments added Grant Joint Union High School District and San Luis Obispo County Office of Education as co-claimants. The Commission adopted the Statement of Decision on October 24, 2002, and the parameters and guidelines on July 31, 2003. Eligible claimants were required to file initial reimbursement claims with the State Controller’s Office (SCO) by February 3, 2004. The Commission uses these initial claims to develop the statewide cost estimate.

Discussion

Reimbursable Activities

The Commission approved this test claim for the actual one-time costs for fiscal year 1998-99 for the following activities:

A. School District Activities

Completion and return of the “Worksheet for Determining the Adjusted 1998-99 Base Revenue Limit in Accordance with SB 727” to the Superintendent of Public Instruction. (Ed. Code, § 42238.7.)

B. County Office of Education Activities

Completion and return of the “Worksheet for Determining the Adjusted 1998-99 Base Revenue Limit in Accordance with SB 727” to the Superintendent of Public Instruction. (Ed. Code, § 2550.3.)

Statewide Cost Estimate

Staff reviewed the claims data submitted by the claimants and compiled by the SCO. Staff made the following assumptions and used the following methodology to develop a statewide cost estimate of the program. If the Commission adopts this statewide cost estimate, the estimate, including staff’s assumptions and methodology will be reported to the Legislature.

Assumptions

Staff made the following assumptions:

- The statewide cost estimate is based on 25 claims filed by 22 school districts and 3 county offices of education. The claiming data is accurate, although unaudited.¹

¹ Claims data reported by the SCO as of May 19, 2004.

- The actual amount claimed could increase if late or amended claims are filed, and could exceed the statewide cost estimate. To date, only 25 out of over 1,000 school districts and county offices of education have filed reimbursement claims. Late claims may be filed for this program until February 2005.
- It is possible that late claims will not be filed for this program. According to a school district representative, no additional claims may be filed because:
 1. The claimants probably no longer have the documentation to support reimbursement claims for fiscal year 1998-1999.
 2. The cost to perform the reimbursable activity for many claimants may not have met the required \$1,000 claim minimum.
 3. This is only a one-year program. School districts, particularly larger districts, may elect not to expend staff time to file for reimbursement for a one-year program.
- Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable. Therefore, the total amount of reimbursement for this program may be lower than the statewide cost estimate.

Methodology

- Staff reviewed the summary claims data provided by the SCO. Staff then reviewed the reimbursement claims to study claiming data and possible trends. No trends were identified for this program.
- The proposed statewide cost estimate is based on the 25 unaudited, actual reimbursement claims.

Following is a breakdown of estimated total cost:

Fiscal Year	Number of Claims Filed by School Districts	Amount of Claims Filed by School Districts	Number of Claims Filed by County Offices of Education	Amount of Claims Filed by County Offices of Education	Claim Totals
1998-1999	22	\$43,913	3	\$5,173	\$49,086

Staff Recommendation

Staff recommends that the Commission adopt the proposed statewide cost estimate of **\$49,086** for costs incurred in complying with the *Attendance Accounting* program.