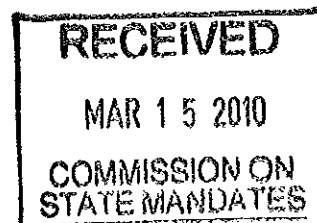




JOHN CHIANG
California State Controller



March 10, 2010

Nancy Patton, Asst. Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Keith B. Petersen
SixTen and Associates
5252 Balboa Avenue, Suite 807
San Diego, CA 92117

Re: **Incorrect Reduction Claim**
Health Fee Elimination, 07-4206-I-14
Education Code Section 76355
Statutes 1984, 2nd E.S., Chapter 1; Statutes 1987, Chapter 1118
Fiscal Years 2002-03 and 2003-04
Pasadena Area Community College District, Claimant

Dear Ms. Patton and Mr. Petersen:

This letter is in response to the above-entitled Incorrect Reduction Claim. The subject claims were reduced because the Claimant understated authorized health service fees. The reductions were appropriate and in accordance with law.

The Controller's Office is empowered to audit claims for mandated costs and to reduce those that are "excessive or unreasonable."¹ This power has been affirmed in recent cases, such as the Incorrect Reductions Claims (IRCs) for the *Graduation Requirements* mandate.² If the claimant disputes the adjustments made by the Controller pursuant to that power, the burden is upon them to demonstrate that they are entitled to the full amount of the claim. This principle likewise has been upheld in the *Graduation Requirements* line of IRCs.³ In this case, the audit determined that the Claimant understated authorized health service fees. Therefore, the claim was reduced.

¹ See Government Code section 17561, subdivisions (d)(1)(C) and (d)(2), and section 17564.

² See for example, the Statement of Decision in the Incorrect Reduction Claim of San Diego Unified School District [No. CSM 4435-I-01 and 4435-I-37], adopted September 28, 2000, at page 9.

³ See for example, the Statement of Decision in the Incorrect Reduction Claim of San Diego Unified School District [No. CSM 4435-I-01 and 4435-I-37], adopted September 28, 2000, at page 16.

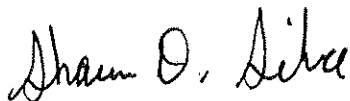
March 10, 2010

Page 2

The understatement of authorized health services fees appears to have occurred because the Claimant confused collected with authorized. The Parameters and Guidelines provide that offsetting savings shall include the amount authorized for student fees, stating that the offsetting savings "shall include the amount of [specified student fees], as *authorized* by Education Code section 72246(a)." [Emphasis added.] The relevant amount is not the amount charged, nor the amount collected, rather, it is the amount authorized. Therefore, these claimed costs are unsupported and thus, disallowed.

Enclosed please find a complete detailed analysis from our Division of Audits, exhibits, and supporting documentation with declaration.

Sincerely,



SHAWN D. SILVA
Staff Counsel

SDS/ac

Enclosure

cc: Kindred Murillo, Pasadena Area Community College District
Ginny Brummels, Div. of Acctg. & Rptg., State Controller's Office (w/o encl.)
Jim Spano, Division of Audits, State Controller's Office (w/o encl.)

1 PROOF OF SERVICE

2 I am employed in the County of Sacramento, State of California. At the time of service, I was at least 18
3 years of age, a United States citizen employed in the county where the mailing occurred, and not a party to the
4 within action. My business address is 300 Capitol Mall, Suite 1850, Sacramento, CA 95814.

5 On March 10, 2010, I served the foregoing document entitled:

6 **SCO'S RESPONSE TO THE INCORRECT REDUCTION CLAIM FOR
7 PASADENA AREA COMMUNITY COLLEGE DISTRICT, CSM 07-4206-I-14**

8 on all interested parties in this action by placing a true and correct copy thereof enclosed in a sealed envelope,
9 addressed as follows:

10 Nancy Patton (*original*)
11 Assistant Executive Director
12 Commission on State Mandates
13 980 Ninth Street, Suite 300
14 Sacramento, CA 95814

Keith B. Petersen
SixTen and Associates
5252 Balboa Avenue, Suite 807
San Diego, CA 92117

15 Kindred Murillo, Vice-President
16 Administrative Services
17 Pasadena Area Community College District
18 1570 East Colorado Boulevard
19 Pasadena, CA 91106-2003

20 **BY MAIL**

21 I placed the envelope for collection and processing for mailing following this business's ordinary practice with
22 which I am readily familiar. On the same day correspondence is placed for collection and mailing, it is deposited
23 in the ordinary course of business with the United States Postal Service.

24 **BY PERSONAL SERVICE**

25 I caused to be delivered by hand to the above-listed addressees.

BY OVERNIGHT MAIL/COURIER

To expedite the delivery of the above-named document, said document was sent via overnight courier for next day
delivery to the above-listed party.

BY FACSIMILE TRANSMISSION

In addition to the manner of service indicated above, a copy was sent by facsimile transmission to the above-listed
party.

I declare that I am employed in the office of a member of the bar of this court at whose direction the
service was made. I declare under penalty of perjury under the laws of California that the foregoing is true and
correct.

Executed on March 10, 2010, at Sacramento, California.

Amber A. Camarena
Amber A. Camarena

**RESPONSE BY THE STATE CONTROLLER’S OFFICE
TO THE INCORRECT REDUCTION CLAIM BY
PASADENA AREA COMMUNITY COLLEGE DISTRICT
Health Fee Elimination Program**

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State Controller’s Office Division of Accounting and Reporting’s Letter (October 22, 2006)	Exhibit A
State Controller’s Office Legal Counsel’s Letter (July 15, 2004).....	Exhibit B
Parameters and Guidelines (amended May 25, 1989).....	Exhibit C
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Tab 1

1 **OFFICE OF THE STATE CONTROLLER**

2 300 Capitol Mall, Suite 1850
3 Sacramento, CA 94250
4 Telephone No.: (916) 445-6854

4 BEFORE THE
5 COMMISSION ON STATE MANDATES
6 STATE OF CALIFORNIA
7

8
9
10 INCORRECT REDUCTION CLAIM ON:

11 *Health Fee Elimination Program*

12 Chapter 1, Statutes of 1984, 2nd Extraordinary
13 Session, and Chapter 1118, Statutes of 1987

14 PASADENA AREA COMMUNITY
15 COLLEGE DISTRICT, Claimant

No.: CSM 07-4206-I-14

AFFIDAVIT OF BUREAU CHIEF

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

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

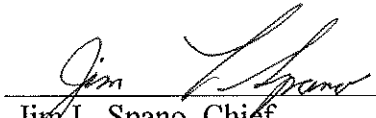
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7) A field audit of the claims for fiscal year (FY) 2002-03, and FY 2003-04 commenced on September 9, 2005, and ended on January 10, 2006.

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

Date: February 5, 2009

OFFICE OF THE STATE CONTROLLER

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

Tab 2

**STATE CONTROLLER'S OFFICE ANALYSIS AND RESPONSE
TO THE INCORRECT REDUCTION CLAIM BY
PASADENA COMMUNITY COLLEGE DISTRICT
For Fiscal Year (FY) 2002-03 and FY 2003-04**

**Health Fee Elimination Program
Chapter 1, Statutes of 1984, 2nd Extraordinary Session,
and Chapter 1118, Statutes of 1987**

SUMMARY

The following is the State Controller's Office's (SCO) response to the Incorrect Reduction Claim that the Pasadena Area Community College District submitted on August 14, 2007. The SCO audited the district's claims for costs of the legislatively mandated Health Fee Elimination Program for the period of July 1, 2002, through June 30, 2004. The SCO issued its final report on June 30, 2006 (**Exhibit E**).

The district submitted reimbursement claims totaling \$388,001 as follows.

- FY 2002-03—\$202,954 (**Exhibit F**)
- FY 2003-04—\$185,047 (**Exhibit F**)

The SCO audit disclosed that \$195,246 is allowable and \$192,755 is unallowable. The unallowable costs occurred primarily because the district claimed costs funded by federal moneys, claimed costs that did not meet eligibility requirements, and understated applicable offsetting revenue. The State will pay the allowable costs, totaling \$195,246, contingent upon available appropriations. 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>Reference</u>
<u>July 1, 2002, through June 30, 2003</u>				
Health services costs:				
Salaries and benefits	\$ 506,488	\$ 506,488	\$ —	
Services and supplies	62,071	51,965	(10,106)	Finding 2
Indirect costs	151,946	151,946	—	
Total health services costs	720,505	710,399	(10,106)	
Authorized health fees	(485,844)	(558,087)	(72,243)	Finding 4
Subtotals	234,661	152,312	(82,349)	
Offsetting savings/reimbursements	(31,707)	(31,707)	—	
Total	<u>\$ 202,954</u>	120,605	<u>\$ (82,349)</u>	
Amount paid by the State		— ¹		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 120,605</u>		

<u>Cost Elements</u>	<u>Actual Costs Claimed</u>	<u>Allowable per Audit</u>	<u>Audit Adjustment</u>	<u>Reference</u>
<u>July 1, 2003, through June 30, 2004</u>				
Health services costs:				
Salaries and benefits	\$ 480,056	\$ 474,682	\$ (5,374)	Finding 1
Services and supplies	40,967	40,967	—	
Indirect costs	160,339	142,405	(17,934)	Findings 1, 3
Total health services costs	681,362	658,054	(23,308)	
Authorized health fees	(496,315)	(583,413)	(87,098)	Finding 4
Total	\$ 185,047	74,641	\$ (110,406)	
Amount paid by the State		— ¹		
Allowable costs claimed in excess of (less than) amount paid		\$ 74,641		

Summary: July 1, 2002, through June 30, 2004

Health services costs:				
Salaries and benefits	\$ 986,544	\$ 981,170	\$ (5,374)	
Services and supplies	103,038	92,932	(10,106)	
Indirect costs	312,285	294,351	(17,934)	
Total health services costs	1,401,867	1,368,453	(33,414)	
Authorized health fees	(982,159)	(1,141,500)	(159,341)	
Subtotal	419,708	226,953	(192,755)	
Offsetting savings/reimbursements	(31,707)	(31,707)	—	
Total	\$ 388,001	195,246	\$ (192,755)	
Amount paid by the State		—		
Allowable costs claimed in excess of (less than) amount paid		\$ 195,246		

¹ Payment information reflects net amount paid as of February 5, 2009.

The district did not dispute the audit adjustments for Findings 1 through 4 in its response to the draft audit report dated May 5, 2006. The district's IRC also is not disputing the audit adjustment for Finding 1 – Unallowable salaries and benefits, and related indirect costs, Finding 2 – Unallowable athletic insurance costs, or Finding 3 – Overstated indirect costs. However, its IRC does contest Finding 4 related to understated authorized health fee revenues claimed. This issue resulted in unallowable costs of \$159,341. The district believes that it reported the correct amount of health service fee revenues.

**I. SCO REBUTTAL TO STATEMENT OF DISPUTE—
CLARIFICATION OF REIMBURSABLE ACTIVITIES, CLAIM CRITERIA, AND
DOCUMENTATION REQUIREMENTS**

Parameters and Guidelines

On August 27, 1987, the Commission on State Mandates (CSM) adopted the parameters and guidelines for Chapter 1, Statutes of 1984, 2nd Extraordinary Session. The CSM amended the parameters and guidelines on May 25, 1989 (**Exhibit C**), because of Chapter 1118, Statutes of 1987.

The parameters and guidelines (amended May 25, 1989) state:

V. REIMBURSABLE COSTS

A. Scope of Mandate

Eligible community college districts shall be reimbursed for the costs of providing a health services program. Only services provided in 1986-87 fiscal year may be claimed.

B. Reimbursable Activities

For each eligible claimant, the following cost items are reimbursable to the extent they were provided by the community college district in fiscal year 1986-87 . . . [see Exhibit B for a list of reimbursable items.]

VI. CLAIM PREPARATION

B. Actual Costs of Claim Year for Providing 1986-87 Fiscal Year Program Level of Service

Claimed costs should be supported by the following information:

1. Employee Salaries and Benefits

Identify the employee(s), show the classification of the employee(s) involved, describe the mandated functions performed and specify the actual number of hours devoted to each function, the productive hourly rate, and the related benefits. The average number of hours devoted to each function may be claimed if supported by a documented time study.

2. Services and Supplies

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

3. Allowable Overhead Cost

Indirect costs may be claimed in the manner described by the State Controller in his claiming instructions.

VII. SUPPORTING DATA

For auditing purposes, all costs claimed must be traceable to source documents and/or worksheets that show evidence of the validity of such costs. This would include documentation for the fiscal year 1986-87 program to substantiate a maintenance of effort. These documents must be kept on file by the agency submitting the claim for a period of no less than three years from the date of the final payment of the claim pursuant to this mandate, and made available on the request of the State Controller or his agent.

VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

Any offsetting savings the claimant experiences as a direct result of this statute must be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, e.g., federal, state, etc., shall be identified and deducted from this claim. This shall include the amount . . . authorized by Education Code section 72246 for health services [now Education Code section 76355].

II. UNALLOWABLE SALARIES AND BENEFITS, AND RELATED INDIRECT COSTS

Issue

The district claimed unallowable salary and benefit costs totaling \$5,374. The related indirect cost is \$1,795. The unallowable costs relate to student workers' salaries and benefits funded by the federal work-study program.

SCO Analysis:

The program's parameters and guidelines state that districts must provide documentation that describes the mandated functions performed (i.e., rendered). The parameters and guidelines further state that reimbursement for this mandate received from any source, e.g., federal, state, etc., shall be identified and deducted from this claim.

District's Response

The district does not dispute this adjustment.

III. UNALLOWABLE ATHLETIC INSURANCE COSTS

Issue

For fiscal year (FY) 2002-03, the district claimed unallowable athletic insurance costs totaling \$10,106.

SCO Analysis:

The parameters and guidelines state that the cost of insurance is reimbursable for the following activities: (1) on-campus accident, (2) voluntary, and (3) insurance inquiry/claim administration.

Education Code section 76355(d) (formerly Section 72246(2)) states that athletic insurance is not an authorized expenditure for health services.

District's Response

The district does not dispute this adjustment.

IV. OVERSTATED INDIRECT COSTS

Issue

For FY 2003-04, the district overstated indirect cost rates and, therefore, claimed unallowable indirect costs totaling \$16,139. The district claimed indirect costs based on a federally approved rate of 33.4%; however, the correct federally approved rate for FY 2003-04 was 30%. The 33.4% indirect cost rate was approved for use during the period of July 1, 2004, through June 30, 2006, which is subsequent to the audit period. We applied the difference of 3.4% to the allowable salaries and benefits for FY 2003-04 to compute the adjustment (\$474,682 X 3.4% = \$16,139).

SCO Analysis:

The parameters and guidelines state that indirect costs may be claimed in the manner described in the SCO claiming instructions. The claiming instructions require that districts obtain federal approval of indirect cost rate proposals prepared according to Office of Management and Budget (OMB) Circular A-21.

District's Response

The district does not dispute this adjustment.

V. UNDERSTATED AUTHORIZED HEALTH FEE REVENUES CLAIMED

Issue

The district understated authorized health fees by \$159,341 for the audit period because it reported actual revenues received rather than the health service fees it was authorized to collect. In responding to the draft audit report issued on May 5, 2006, the district's Director of Fiscal Services agreed with the audit adjustment. In responding to this IRC, the district now believes that it reported the correct amount of health service fees.

SCO Analysis:

The district was unable to retrieve from its computer system the student attendance data that was used to calculate the revenues reported in its reimbursement claims. At the district's recommendation, the SCO recalculated the authorized health service fees the district was authorized to collect and compared that total to what the district reported. We calculated authorized health service fees using student enrollment data that the district reported to the California Community Colleges Chancellor's Office (CCCCO) and health service fee waivers that the district records supported.

The parameters and guidelines require a district to deduct authorized health services fees from costs claimed. Education Code section 76355(c) states that health fees are authorized from all students except those students who: (1) depend exclusively on prayer for healing; (2) are attending a community college under an approved apprenticeship training program; (3) demonstrate financial need.

Effective with the summer of 2001 session, authorized health service fees, pursuant to Education Code section 76355, were \$9 per student for summer session, quarter, and intersessions of at least four weeks; and \$12 per student for the fall and spring semesters.

Government Code section 17514 defines “costs mandated by the state” as any increased costs that a school district is required to incur. To the extent community college districts can charge a fee, they are not required to incur a cost. In addition, Government Code section 17556 states that CSM shall not find costs mandated by the State if the school district has the authority to levy fees to pay for the mandated program or increased level of service.

District’s Response

The Controller adjusted the reported enrollment and number of students subject to payment of the health services fee which resulted in an adjustment of \$159,341 for the two fiscal years. The stated basis for the adjustment was that the Controller “recalculated the authorized health fee revenues by multiplying student enrollment by semester, net of allowable health fee exemptions, by the authorized student health fee. We obtained student enrollment information from the chancellor’s office and the student health fee waiver information from the district’s list of Board of Governors Grant (BOGG) students.” The District reported its actual health fees collected as “required,” not “authorized” health fee revenues.

Education Code Section 76355

Education Code Section 76355, subdivision (a), in relevant part, provides: “The governing board of a district maintaining a community college *may require* community college students to pay a fee . . . for health supervision and services. . . .” “There is no requirement that community colleges levy these fees. The permissive nature of the provision is further illustrated in subdivision (b) which states “*If, pursuant to this Section, a fee is required, the governing board of the district shall decide the amount of the fee, if any, that a part-time student is required to pay. The governing board may decide whether the fee shall be mandatory or optional.*” [Emphasis added by district.]

Parameters and Guidelines

The Controller states the “*Parameters and Guidelines* states that health fees authorized by the *Education Code* must be deducted from costs claimed.” The parameters and guidelines actually state:

“Any offsetting savings that the claimant experiences as a direct result of this statute must be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, e.g., federal, state, etc., shall be identified and deducted from this claim. This shall include the amount of [student fees] as authorized by Education Code Section 72246(a)¹.”

In order for a district to “experience” these “offsetting savings” the district must actually have collected these fees. Student health fees actually collected must be used to offset costs, but not student health fees that could have been collected and were not. The use of the term “*any* offsetting savings” further illustrates the permissive nature of the fees.

Government Code Section 17514

Nor can the Controller rely upon Government Code Section 17514 for the conclusion that to the extent community college districts can charge a fee, they are not required to incur a cost.”... There is nothing in the language of the statute regarding the authority to charge a fee, any nexus of fee revenue to increased cost, nor any language which describes the legal effect of fees collected.

¹ Former Education Code Section 72246 was repealed by Chapter 8, Statutes of 1993, section 29, and was replaced by Education Code Section 76355.

Government Code Section 17556

Nor can the Controller rely upon Government Code Section 17556 for the conclusion that there are no claimable costs mandated by the State where the claimants have the authority to collect a service fee... Government Code Section 17556 prohibits the Commission on State Mandates from finding costs subject to reimbursement, that is, approving a test claim activity for reimbursement, where there is authority to levy fees in an amount sufficient to offset the entire mandated costs. Here, the Commission has already approved the test claim and made a finding of a new program or higher level of service for which the claimants do not have the ability to levy a fee in an amount sufficient to offset the entire mandated costs.

Fees Collected vs. Fees Collectible

This issue is one of student health fees revenue actually received, rather than student health fees which might be collected. Student fees not collected are student fees not "experienced" and as such should not reduce reimbursement. Further, the amount "collectible" will never equal actual revenues collected due to changes in a student's BOGG eligibility, bad debt accounts, and refunds.

Because districts are not required to collect a fee from students for student health services, and if such a fee is collected, the amount is to be determined by the District and not the Controller, the Controller's adjustment is without legal basis. What claimants are required by the parameters and guidelines to do is to reduce the amount of their claimed costs by the amount of student health services fee revenue actually received, which the District has done for this incorrect reduction claim. Therefore, student health fees are merely collectible, they are not mandatory, and it is inappropriate to reduce claim amounts by revenues not received.

Enrollment and Exempted Student Statistics

The Controller adjusted the reported total student enrollment based the data available from the office of the Chancellor of the Community Colleges and reported number of exempt students based upon information from the district's list of Board of Governors Grant students. The information obtained from the Chancellor's office is based on information originally provided to the Chancellor by the District in the normal course of business. The Controller has not provided any factual basis why the Chancellor's data, subject to review and revision after the fact for several years, is preferable to the data reported by the District which was available at the time the claims were prepared. The Controller does not indicate how and why its determination of "actual" student counts is any more "actual" than the amount reported on the claims.

SCO's Comment

Education Code Section 76355

We agree that community college districts may choose not to levy a health service fee. However, Education Code section 76355, subdivision (a), provides districts with the authority to levy a health service fee.

Parameters and Guidelines

The district incorrectly interprets the CSM's determination and the parameters and guidelines requirements regarding health service fees. The CSM clearly recognized an available funding source by including health service fees as offsetting savings/reimbursements in the parameters and guidelines.

The CSM's staff analysis of May 25, 1989 states the following regarding the proposed parameters and guidelines amendments (Tab 3).

Staff amended Item "VIII. Offsetting Savings and Other Reimbursements" to reflect the reinstatement of [the] fee authority.

In response to that amendment, the [Department of Finance (DOF)] has proposed the addition of the following language to Item VIII. to clarify the impact of the fee authority on claimants' reimbursable costs:

"If a claimant does not levy the fee authorized by Education Code Section 72246(a), it shall deduct an amount equal to what it would have received had the fee been levied."

Staff concurs with the DOF proposed language which does not substantively change the scope of Item VIII.

Thus, it is clear that the CSM intended that claimants deduct authorized health service fees from mandate-reimbursable costs claimed. Furthermore, the staff analysis included an attached letter from the CCCCCO dated April 3, 1989. In that letter, the CCCCCO concurred with the DOF and the CSM regarding authorized health service fees.

The CSM did not revise the parameters and guidelines amendments further, as its staff concluded that the Department of Finance's proposed language did not substantively change the scope of those amendments. The CSM's meeting minutes of May 25, 1989 (Tab 4) show that no district objected to the CSM's staff analysis and that the CSM adopted the parameters and guidelines amendments on consent. Therefore, the CSM did not change its interpretation of authorized health service fees.

Government Code Section 17514

The district states that "There is nothing in the language of the statute regarding the authority to charge a fee, any nexus of fee revenue to increased costs, nor any language which describes the legal effect of fees collected." Government Code section 17514 states, "Costs mandated by the state' means any increased costs which a local agency or school district is required to incur. . . ." [Emphasis added.] The district ignores the correlation that if the district has authority to collect fee attributable to health service expenses, then it is not required to incur a cost. Therefore, those health service expenses do not meet the statutory definition of mandated costs.

Government Code Section 17556

The district states, "Nor can the Controller rely on Government Code Section 17556 for the conclusion that there are no claimable costs mandated by the State where the claimants have the authority to collect a service fee..." [Emphasis added.] The district misstates our position, which is that costs recoverable from a health service fee are not reimbursable as mandated costs.

Government Code section 17556, subdivision (d), states that the CSM shall not find costs mandated by the State if the school district has the authority to levy fees to pay for the mandated program or increased level of service (i.e., to the extent districts have authority to charge a fee, they are not "required" to incur a cost). Two court cases addressed the issue of fee authority.² Both cases concluded that "costs" as used in the constitutional provision, exclude "expenses that are recoverable from sources other than taxes." In both cases, the source other than taxes was fee authority.

² *County of Fresno v. California* (1991) 53 Cal. 3d 482; *Connell v. Santa Margarita* (1997) 59 Cal. App. 4th 382.

The district continues with an invalid argument that the statutory language applies only when the fee authority is sufficient to offset the “entire” mandated costs. The CSM recognized that the Health Fee Elimination program’s costs are not uniform between districts. Districts provided different levels of service in FY 1986-87 (the “base year”). Furthermore, districts provided these services at varying costs. As a result, the fee authority may be sufficient to pay for some districts’ mandated program costs, while it is insufficient for other districts. Meanwhile, Education Code section 76355 (formerly section 72246) established a uniform health service fee assessment for students statewide. Therefore, the CSM adopted parameters and guidelines that clearly recognize an available funding source by identifying the health service fees as offsetting reimbursements. To the extent that districts have authority to charge a fee, they are not required to incur a cost.

Fee Collected vs. Fees Collectible

The district states, “the amount ‘collectible’ will never equal actual revenues collected due to changes in a student BOGG eligibility, bad debt accounts, and refunds.” The district is responsible for providing accurate enrollment and BOGG grant data, including any changes that result from BOGG grant eligibility or students who disenroll. The district infers that the CCCCCO provided the SCO with enrollment and BOGG recipient data that is somehow inaccurate. However, the district has not explained how changes in BOGG eligibility and fee refunds, which occur during the academic year, affect enrollment and BOGG recipient data that the district submits to the CCCCCO at year-end. In addition, the district has not provided any documentation showing that the CCCCCO enrollment and BOGG recipient data is inaccurate.

Consistent with OMB Circular A-21, Section J, the district is responsible for any bad debt accounts. The district’s failure to collect health service fees assessed does not result in a mandate-reimbursable cost.

Enrollment and Exempted Student Statistics

The district states that the SCO “adjusted the reported total student enrollment and reported number of exempt students based on data available from the office of the Chancellor of the Community Colleges.” It further stated that “The Controller has not provided any factual basis why the Chancellor’s data, subject to review and revision after the fact for several years, is preferable to the data reported by the District which was available at the time the claims were prepared...”

The district failed to state that during the audit, it was unable to retrieve from its computer system the student attendance data that was used to calculate the revenues reported in its reimbursement claims and that such information was not accurate.

On September 29, 2005, the district’s Senior System’s Analyst provided the SCO auditors with “Enrollment Statistical Report NSR0153R1” for the Winter 2004 semester student enrollment. However, district staff informed the SCO that this report was not accurate because it reported enrollment at the end of the first two weeks of the semester, and would include students that dropped out after the two weeks. On October 7, 2005, the Senior Systems Analyst provided the SCO auditors with a second “Enrollment Statistical Report NSR0153R1.” After further review, district staff informed the SCO that these reports were not accurate because they included all students who had registered, including those who dropped out or never attended. The SCO was informed that the same problem existed for all semesters.

On December 6, 2005, the SCO auditors met with the Director of Fiscal Services and the Accounting Supervisor to determine which enrollment report—the September 29, 2005 report, the October 7, 2005 report, or the data from the CCCCCO—was the most reliable. The Director and Accounting Supervisor advised the SCO auditors that the student enrollment information from the CCCCCO was the most accurate. The district provided no documentation showing that the CCCCCO data is inaccurate. At the district's recommendation, the SCO auditors recalculated the authorized health service fees the district was authorized to collect using the enrollment data from the CCCCCO and the district's list of BOGG students and compared that total to what the district reported.

III. CONCLUSION

The SCO audited the Pasadena Area Community College District's claims for costs of the legislatively mandated Health Fee Elimination Program (Chapter 1, Statutes of 1984, 2nd Extraordinary Session, and Chapter 1118, Statutes of 1987) for the period of July 1, 2002, through June 30, 2004. The district claimed \$388,001 for the mandated program. Our audit disclosed that \$195,246 is allowable and \$192,755 is unallowable. The costs are unallowable primarily because the district claimed costs funded by federal moneys, claimed costs that did not meet eligibility requirements, and understated applicable offsetting revenue.

The district claimed unallowable salaries and benefits, and related indirect costs totaling \$7,169; unallowable athletic insurance costs totaling \$10,106; and overstated indirect rates, resulting in unallowable indirect costs totaling \$16,139. The district did not dispute these adjustments.

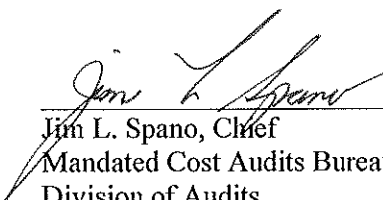
The district understated authorized health fees by \$159,341 for the audit period because it reported actual revenues rather than the health services fees it was authorized to collect.

In conclusion, the Commission on State Mandates should find that: (1) the SCO correctly reduced the district's FY 2002-03 claim by \$82,349 and (2) the SCO correctly reduced the district's FY 2003-04 claim by \$110,406.

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 February 5, 2009, at Sacramento, California, by:



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

Tab 3

Hearing: 5/25/89
File Number: CSM-4206
Staff: Deborah Fraga-Decker
WP 0366d

PROPOSED PARAMETERS AND GUIDELINES AMENDMENTS
Chapter 1, Statutes of 1984, 2nd E.S.
Chapter 1118, Statutes of 1987
Health Fee Elimination ✓

Executive Summary

At its hearing of November 20, 1986, the Commission on State Mandates found that Chapter 1, Statutes of 1984, 2nd E.S., imposed state mandated costs upon local community college districts by (1) requiring those community college districts which provided health services for which it was authorized to and did charge a fee to maintain such health services at the level provided during the 1983-84 fiscal year in the 1984-85 fiscal year and each fiscal year thereafter and (2) repealing the district's authority to charge a health fee. The requirements of this statute would repeal on December 31, 1987, unless subsequent legislation was enacted.

Chapter 1118, Statutes of 1987, was enacted September 24, 1987, and became effective January 1, 1988. Chapter 1118/87 modified the requirements contained in Chapter 1/84, 2nd E.S., to require those community college districts which provided health services in fiscal year 1986-87 to maintain such health services in the 1987-88 fiscal year and each fiscal year thereafter. Additionally, the language contained in Chapter 1/84, 2nd E.S., which repealed the districts' authority to charge a health fee to cover the costs of the health services program was allowed to sunset, thereby reinstating the districts' authority to charge a fee as specified. Parameters and guidelines amendments are appropriate to address the changes contained in Chapter 1118/87 because this statute amended the same Education Code sections previously enacted by Chapter 1/84, 2nd E.S., and found to contain a mandate.

Commission staff included the Department of Finance suggested non-substantive amendment to the staff's proposed parameters and guidelines amendments. The Chancellor's Office, the State Controller's Office, and the claimant are in agreement with these amendments. Therefore, staff recommends that the Commission adopt the parameters and guidelines amendments as requested by the Chancellor's Office and as developed by staff.

Claimant

Rio Hondo Community College District

Requesting Party

California Community Colleges Chancellor's Office

Chronology

12/2/85 Test Claim filed with Commission on State Mandates.
7/24/86 Test Claim continued at claimant's request.
11/20/86 Commission approved mandate.
1/22/87 Commission adopted Statement of Decision.
4/9/87 Claimant submitted proposed parameters and guidelines.
8/27/87 Commission adopted parameters and guidelines
10/22/87 Commission adopted cost estimate
9/28/88 Mandate funded in Commission's Claims Bill, Chapter 1425/88

Summary of Mandate

Chapter 1/84, 2nd E.S., effective July 1, 1984, repealed Education Code (EC) Section 72246 which had authorized community college districts to charge a health fee for the purpose of providing health supervision and services, direct and indirect medical and hospitalization services, and operation of student health centers. The statute also required that any community college district which provided health services for which it was authorized to charge a fee shall maintain health services at the level provided during the 1983-84 fiscal year in the 1984-85 fiscal year and each fiscal year thereafter.

Prior to the passage of Chapter 1/84, 2nd E.S., the implementation of a health services program was at the local community college district's option. If implemented, the respective community college district had the authority to charge a health fee up to \$7.50 per semester for day and evening students, and \$5 per summer session.

Proposed Amendments

The Community Colleges Chancellor's Office (Chancellor's Office) has requested parameters and guidelines amendments be made to address the changes in mandated activities effectuated by Chapter 1118/87. (Attachment G) In order to expedite the process, staff has developed language to accomplish the following: (1) change the eligible claimants to those community college districts which provided a health services program in fiscal year 1986-87; and (2) change the offsetting savings and other reimbursements to include the reinstated authority to charge a health fee. (Attachment B)

Recommendations

The Department of Finance (DOF) proposed one non-substantive amendment to clarify the effect of the fee authority language on the scope of the reimbursable costs. With this amendment, the DOF believes the amendments to the parameters and guidelines are appropriate for this mandate and recommends the Commission adopt them. (Attachment C)

The Chancellor's Office recommends that the Commission approve the amended parameters and guidelines developed by staff with the additional language suggested by the DOF. (Attachment D)

The State Controller's Office (SCO), upon review of the proposed amendments, finds the proposals proper and acceptable. (Attachment E)

The claimant, in its recommendation, states its belief that the revisions are appropriate and concurs with the proposed changes. (Attachment F)

Staff Analysis

Issue 1: Eligible Claimants

The mandate found in Chapter 1/84, 2nd E.S., was for a new program with a required maintenance of effort at the fiscal year 1983-84 level. Chapter 1118/87 superseded that level of service by requiring that community college districts which provided a health services program in fiscal year 1986-87 maintain that level of effort in fiscal year 1987-88 and each subsequent year thereafter. Additionally, this expanded the group of eligible claimants because the requirement is no longer imposed on only those community college districts which had charged a health fee for the program. At the time of enactment of Chapter 1118/87, there were 11 community college districts which provided the health services program but had never charged a health fee for the service.

Therefore, staff has amended the language in Item III. "Eligible Claimants" to reflect this change in the scope of the mandate.

Issue 2: Reimbursement Alternatives

In response to Chapter 1/84, 2nd E.S., Item VI.B. contained two alternatives for claiming reimbursement costs. This gave claimants a choice between claiming actual costs for providing the health services program, or funding the program as was done prior to the mandate when a health fee could be charged.

The first alternative was in Item VI.B.1. and provided for the use of the formula which the eligible claimants were authorized to utilize prior to the implementation of Chapter 1/84, 2nd E.S.--total eligible enrollment multiplied by the health fee charged per student in fiscal year 1983-84. With the sunset of the repeal of the health fee authority as contained in Chapter 1/84, 2nd E.S., claimants can now charge the health fee as was allowed prior to fiscal year 1983-84, thereby funding the program as was done prior to the mandate. Therefore, this alternative is no longer applicable to this mandate and has been deleted by staff.

The second alternative was in Item VI.B.2. and provided for the claiming of actual costs involved in maintaining a health services program at the fiscal year 1983-84 level. This alternative is now the sole method of reimbursement for this mandate. However, it has been amended to reflect that Chapter 1118/87 requires a maintenance of effort at the fiscal year 1986-87 level.

Issue 3: Offsetting Savings and Other Reimbursements

With the sunset of the repeal of the fee authority contained in Chapter 1/84, 2nd E.S., Education Code (EC) section 72246(a) again provides community college districts with the authority to charge a health fee as follows:

"72246.(a) The governing board of a district maintaining a community college may require community college students to pay a fee in the total amount of not more than seven dollars and fifty cents (\$7.50) for each semester, and five dollars (\$5) for summer school, or five dollars (\$5) for each quarter for health supervision and services, including direct or indirect medical and hospitalization services, or the operation of a student health center or centers, authorized by Section 72244, or both."

Staff amended Item "VIII. Offsetting Savings and Other Reimbursements" to reflect the reinstatement of this fee authority.

In response to that amendment, the DOF has proposed the addition of the following language to Item VIII. to clarify the impact of the fee authority on claimants' reimbursable costs:

"If a claimant does not levy the fee authorized by Education Code Section 72246(a), it shall deduct an amount equal to what it would have received had the fee been levied."

Staff concurs with the DOF proposed language which does not substantively change the scope of Item VIII.

Issue 4: Editorial Changes

In preparing the proposed parameters and guidelines amendments, it was not necessary for staff to make any of the normal editorial changes as the original parameters and guidelines contained the language usually adopted by the commission.

Staff, the DOF, the Chancellor's Office, the SCO, and the claimant are in agreement with the recommended amendments which are shown in Attachment A with additions indicated by underlining and deletions by strikeout.

Staff Recommendation

Staff recommends the adoption of the staff's proposed parameters and guidelines amendments, which are based on the original parameters and guidelines adopted in response to Chapter 1/84, 2nd E.S., and amended in response to Chapter 1118/87, as well as incorporating the amendment recommended by the DOF. All parties concur with these amendments.

PARAMETERS AND GUIDELINES
Chapter 1118, Statutes of 1987, 2nd E.S.
Health Fee Elimination

I. SUMMARY OF MANDATE

Chapter 1, Statutes of 1984, 2nd E.S. repealed Education Code Section 72246 which had authorized community college districts to charge a health fee for the purpose of providing health supervision and services, direct and indirect medical and hospitalization services, and operation of student health centers. This statute also required that health services for which a community college district charged a fee during the 1983-84 fiscal year had to be maintained at that level in the 1984-85 fiscal year and every year thereafter. The provisions of this statute would automatically repeal on December 31, 1987, which would reinstate the community colleges districts' authority to charge a health fee as specified.

Chapter 1118, Statutes of 1987, amended Education Code section 72246 to require any community college district that provided health services in 1986-87 to maintain health services at the level provided during the 1986-87 fiscal year in 1987-88 and each fiscal year thereafter.

II. COMMISSION ON STATE MANDATES' DECISION

At its hearing on November 20, 1986, the Commission on State Mandates determined that Chapter 1, Statutes of 1984, 2nd E.S. imposed a "new program" upon community college districts by requiring any community college district which provided health services for which it was authorized to charge a fee pursuant to former Section 72246 in the 1983-84 fiscal year to maintain health services at the level provided during the 1983-84 fiscal year in the 1984-85 fiscal year and each fiscal year thereafter. This maintenance of effort requirement applies to all community college districts which levied a health services fee in the 1983-84 fiscal year, regardless of the extent to which the health services fees collected offset the actual costs of providing health services at the 1983-84 fiscal year level.

At its hearing of April 27, 1989, the Commission determined that Chapter 1118, Statutes of 1987, amended this maintenance of effort requirement to apply to all community college districts which provided health services in fiscal year 1986-87 and required them to maintain that level in fiscal year 1987-88 and each fiscal year thereafter.

III. ELIGIBLE CLAIMANTS

Community college districts which provided health services for/in 1986-87 fiscal year and continue to provide the same services as a result of this mandate are eligible to claim reimbursement of those costs.

IV. PERIOD OF REIMBURSEMENT

Chapter 1, Statutes of 1984, 2nd E.S., became effective July 1, 1984. Section 17557 of the Government Code states that a test claim must be submitted on or before November 30th following a given fiscal year to establish for that fiscal year. The test claim for this mandate was filed on November 27, 1985; therefore, costs incurred on or after July 1, 1984, are reimbursable. Chapter 1118, Statutes of 1987, became effective January 1, 1988. Title 2, California Code of Regulations, section 1185.3(a) states that a parameters and guidelines amendment filed before the deadline for initial claims as specified in the Claiming Instructions shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines; therefore, costs incurred on or after January 1, 1988, for Chapter 1118, Statutes of 1987, are reimbursable.

Actual costs for one fiscal year should be included in each claim. Estimated costs for the subsequent year may be included on the same claim if applicable. Pursuant to Section 17561(d)(3) of the Government Code, all claims for reimbursement of costs shall be submitted within 120 days of notification by the State Controller of the enactment of the claims bill.

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

V. REIMBURSEMENTABLE COSTS

A. Scope of Mandate

Eligible community college districts shall be reimbursed for the costs of providing a health services program ~~with the authority to levy a fee~~. Only services provided ~~for the~~ in 1986-87 fiscal year may be claimed.

B. Reimbursable Activities

For each eligible claimant, the following cost items are reimbursable to the extent they were provided by the community college district in fiscal year ~~1986-87~~ 1986-87:

ACCIDENT REPORTS

APPOINTMENTS

- College Physician - Surgeon
- Dermatology, Family Practice, Internal Medicine
- Outside Physician
- Dental Services
- Outside Labs (X-ray, etc.)
- Psychologist, full services
- Cancel/Change Appointments
- R.N.
- Check Appointments

ASSESSMENT, INTERVENTION & COUNSELING

Birth Control
Lab Reports
Nutrition
Test Results (office)
VD
Other Medical Problems
CD
URI
ENT
Eye/Vision
Derm./Allergy
Gyn/Pregnancy Services
Neuro
Ortho
GU
Dental
GI
Stress Counseling
Crisis Intervention
Child Abuse Reporting and Counseling
Substance Abuse Identification and Counseling
Aids
Eating Disorders
Weight Control
Personal Hygiene
Burnout

EXAMINATIONS (Minor Illnesses)

Recheck Minor Injury

HEALTH TALKS OR FAIRS - INFORMATION

Sexually Transmitted Disease
Drugs
Aids
Child Abuse
Birth Control/Family Planning
Stop Smoking
Etc.
Library - videos and cassettes

FIRST AID (Major Emergencies)

FIRST AID (Minor Emergencies)

FIRST AID KITS (Filled)

IMMUNIZATIONS

Diphtheria/Tetanus
Measles/Rubella
Influenza
Information

INSURANCE

On Campus Accident
Voluntary
Insurance Inquiry/Claim Administration

LABORATORY TESTS DONE

Inquiry/Interpretation
Pap Smears

PHYSICALS

Employees
Students
Athletes

MEDICATIONS (dispensed OTC for misc. illnesses)

Antacids
Antidiarrhial
Antihistamines
Aspirin, Tylenol, etc.
Skin rash preparations
Misc.
Eye drops
Ear drops
Toothache - Oil cloves
Stingkill
Midol - Menstrual Cramps

PARKING CARDS/ELEVATOR KEYS

Tokens
Return card/key
Parking inquiry
Elevator passes
Temporary handicapped parking permits

REFERRALS TO OUTSIDE AGENCIES

Private Medical Doctor
Health Department
Clinic
Dental
Counseling Centers
Crisis Centers
Transitional Living Facilities (Battered/Homeless Women)
Family Planning Facilities
Other Health Agencies

TESTS

Blood Pressure
Hearing
Tuberculosis
Reading
Information
Vision
Glucometer
Urinalysis
Hemoglobin
E.K.G.
Strep A testing
P.G. testing
Monospot
Hemacult
Misc.

A. Description of Activity

1. Show the total number of full-time students enrolled per semester/quarter.
2. Show the total number of full-time students enrolled in the summer program.
3. Show the total number of part-time students enrolled per semester/quarter.
4. Show the total number of part-time students enrolled in the summer program.

B. Claimed Costs/Actual Costs

Claimed costs should be supported by the following information:

Claimed Costs/Actual Costs / 1 // Costs/Providing/Collected/In/1983-84/Fiscal/Year/

1/ Costs/Collected/In/This/1983-84/Fiscal/Year/Of/Support/This/Health/Services/Program/

2/ Total/Number/Of/Students/Under/Item/VI/A/Of/Through/4/above/In/This/Actual/This/Total/Actual/Collected/Under/VI/B/Of/Actual/By/Item/VI/B/2/Of/This/Total/Actual/Reimbursed/Increased/By/This/Approved/Impacts/Provided/Deficit/

Actual Costs of Claim Year for Providing / 2 // Actual Costs of Claim Year for Providing 1983-84 Fiscal Year Program Level of Service.

1. Employee Salaries and Benefits

Identify the employee(s), show the classification of the employee(s) involved, describe the mandated functions performed and specify the actual number of hours devoted to each function, the productive hourly rate, and the related benefits. The average number of hours devoted to each function may be claimed if supported by a documented time study.

2. Services and Supplies

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

3. Allowable Overhead Cost

Indirect costs may be claimed in the manner described by the State Controller in his claiming instructions.

VII. SUPPORTING DATA

For auditing purposes, all costs claimed must be traceable to source documents and/or worksheets that show evidence of the validity of such costs. This would include documentation for the fiscal year 19876-847 program to substantiate a maintenance of effort. These documents must be kept on file by the agency submitting the claim for a period of no less than three years from the date of the final payment of the claim pursuant to this mandate, and made available on the request of the State Controller or his agent.

VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

Any offsetting savings the claimant experiences as a direct result of this statute must be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, e.g., federal, state, etc., shall be identified and deducted from this claim. This shall include the amount of \$7.50 per full-time student per semester, \$5.00 per full-time student for summer school, or \$5.00 per full-time student per quarter, as authorized by Education Code section 72246(a). This shall also include payments (fees) now received from individuals other than students who were not covered by former Education Code Section 72246 for health services.

IX. REQUIRED CERTIFICATION

The following certification must accompany the claim:

I DO HEREBY CERTIFY under penalty of perjury:

THAT the foregoing is true and correct;

THAT Section 1090 to 1096, inclusive, of the Government Code and other applicable provisions of the law have been complied with;

and

THAT I am the person authorized by the local agency to file claims for funds with the State of California.

Signature of Authorized Representative

Date

Title

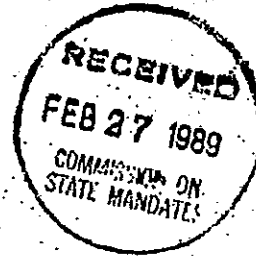
Telephone No.

CALIFORNIA COMMUNITY COLLEGES

NINTH STREET
SACRAMENTO, CALIFORNIA 95814
(916) 445-8752 445-1163



February 22, 1989



Mr. Robert W. Eich
Executive Director
Commission on State Mandates
1130 "K" Street, Suite LL50
Sacramento, CA 95814-3927

Dear Mr. Eich:

As you know, the Commission on August 27, 1987 adopted Parameters and Guidelines for claiming reimbursements of mandated costs related to community college health services. Fees formerly collected by community colleges had been eliminated by Chapter 1, Statutes of 1984, Second Extraordinary Session. Last year's mandate claims bill (AB 2763) included funding to pay all these claims through 1988-89.

The Governor's partial approval of AB 2763 last September included a stipulation that claims for the current year would be paid this fiscal year, but prior-year claims will be paid in equal installments from the next three budget acts. The Governor did not address the fact that the ongoing costs of providing the mandated level of service will continue to exceed the maximum permissible fee of \$7.50 per student per semester.

On behalf of all eligible community college districts, the Chancellor's Office proposes the following changes in the Parameters and Guidelines:

- o Payment of 1988-89 mandated costs in excess of maximum permissible fees. (This amount is payable from AB 2763.)
- o Payment of all prior-year claims in installments over the next three years. (Funds for these payments will be included in the next 3 budget acts.)
- o Payment of future-years mandated costs in excess of the maximum permissible fees. (No funding has yet been provided for these costs.)

Mr. Eich

2

February 22, 1989

If you have any questions regarding this proposal, please contact Patrick Ryan at (916) 445-1163.

Sincerely,

David Mertes

DAVID MERTE
Chancellor

DM:PR:mh

cc: / Deborah Fraga-Decker, CSM
Douglas Burris
Joseph Newmyer
Gary Cook

State of California

Memorandum

Date : March 22, 1989

To : Deborah Fraga-Decker
Program Analyst
Commission on State Mandates

From : Department of Finance

Proposed Amendments to Parameters and Guidelines for Claim No. CSM-4206 -- Chapter 1, Statutes of 1984, 2nd E.S. and Chapter 1118, Statutes of 1987 -- Health Fee Elimination

Pursuant to your request, the Department of Finance has reviewed the proposed amendments to the parameters and guidelines related to community college health services. These amendments, which are requested by the Chancellor's Office, reflect the impact that Chapter 1118/87 has on the original parameters adopted by the Commission for Chapter 1/84 on August 27, 1987. Specifically, Chapter 1118/87:

- (1) requires districts which were providing health services in 1986-87, rather than 1983-84, to continue to provide such services, irrespective of whether or not a fee was charged for the services; and
- (2) allows all districts to again charge a fee of up to \$7.50 per student for the services. In this regard, we would point out that the proposed amendment to "VIII. Offsetting Savings, and Other Reimbursements" could be interpreted to require that, if a district elected not to charge fees it would not have to deduct anything from its claim. We believe that, pursuant to Section 17556 (d) of the Government Code, an amount equal to \$7.50 per student must be deducted whether or not it is actually charged since the district has the authority to levy the fee. We suggest that the following language be added as a second paragraph under "VIII": "If a claimant does not levy the fee authorized by Education Code Section 72246 (a), it shall deduct an amount equal to what it would have received had the fee been levied."

With the amendment described above, we believe the amendments to the parameters and guidelines are appropriate for this mandate and recommend the Commission adopt them at its April 27, 1989, meeting.

Any questions regarding this recommendation should be directed to James M. Apps or Kim Clement of my staff at 324-0043.


Fred Klass
Assistant Program Budget Manager

cc: see second page

cc: Glen Beatie, Stat Controller's Office
Pat Ryan, Chancel 's Office, Community College
Juliet Musso, Legislative Analyst's Office
Richard Frank, Attorney General

LR:1988-2

CHANCELLOR'S OFFICE

GEORGE DEUKMEJIAN, Governor

CALIFORNIA COMMUNITY COLLEGES

1501 NINTH STREET
 SACRAMENTO, CALIFORNIA 95814
 916-445-8752 445-1163



April 3, 1989

Mr. Robert W. Eich
 Executive Director
 Commission on State Mandates
 170 K Street, Suite LL50
 Sacramento, CA 95814

Attention: Ms. Deborah Fraga-Decker

Subject: CSM 4206
 Amendments to Parameters and Guidelines
 Chapter 1, Statutes of 1984, 2nd E.S.
 Chapter 118, Statutes of 1987
Health Fee Elimination

Dear Mr. Eich:

In response to your request of March 8, we have reviewed the proposed language changes necessary to amend the existing parameters and guidelines to meet the requirements of Chapter 118, Statutes of 1987.

The Department of Finance has also provided us a copy of their suggestion to add the following language in part VIII: "If a claimant does not levy the fee authorized by Education Code Section 72246(a), it shall deduct an amount equal to what it would have received had the fee been levied." This office concurs with their suggestion which is consistent with the law and with our request of February 22.

With the additional language suggested by the Department of Finance, the Chancellor's Office recommends approval of the amended parameters and guidelines as drafted for presentation to the Commission on April 27, 1989.

Sincerely,

DAVID MERTES
 Chancellor

DM:PR:mh

cc: Jim Apps, Department of Finance
 Glen Beatie, State Controller's Office
 Richard Frank, Attorney General's Office
 Juliet Miso, Legislative Analyst's Office
 Douglas Burris
 Joseph Newmyer
 Gary Cook



GRAY DAVIS
Controller of the State of California
P.O. BOX 942850
SACRAMENTO, CA 94250-0001

April 3, 1989

Ms. Deborah Fraga-Decker
Program Analyst
Commission on State Mandates
1130 K Street, Suite LL50
Sacramento, CA 95814



Dear Ms. Fraga-Decker:

RE: Proposed Amendments to Parameters and Guidelines: Chapter 1/84, 2nd
E.S., and Chapter 1118/87 - Health Fee Elimination

We have reviewed the amendments proposed on the above subject and find the proposals proper and acceptable.

However, the Commission may wish to clarify section "VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS" that the required offset is the amount received or would have received per student in the claim year.

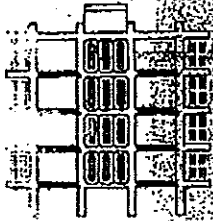
If you have any questions, please call Glen Beatie at 3-8137.

Sincerely,

Glenn Haas, Assistant Chief
Division of Accounting

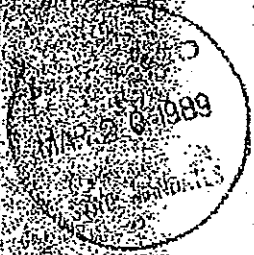
GH/GB:dvl

SC81822



HSA/60

RIO HONDO COMMUNITY COLLEGE DISTRICT
8600 Workman Mill Road • Whittier, CA 90808 • Phone (213) 692-0921



March 16, 1989

Ms. Deborah Fraga-Decker
Program Analyst
Commission on State Mandates
1130 K Street, Suite LL50
Sacramento, CA 95814

REFERENCE: CSM-4206
AMENDMENTS TO PARAMETERS AND GUIDELINES
CHAPTER 1, STATUTES OF 1984, 2ND E.S.
CHAPTER 1118, STATUTES OF 1987
HEALTH FEE ELIMINATION

Dear Deborah:

We have reviewed your letter of March 7 to Chancellor David Montes and the attached amendments to the health fee parameters and guidelines. We believe these revisions to be most appropriate and concur totally with the changes you have proposed.

I would like to thank you again for your expertise and helpfulness throughout this entire process.

Yours very truly,

Timothy M. Hood
Vice President
Administrative Affairs

TMW:hh

Tab 4

MINUTES

COMMISSION ON STATE MANDATES

May 25, 1989

10:00 a.m.

State Capitol, Room 437
Sacramento, California

Present were: Chairperson Russell Gould, Chief Deputy Director, Department of Finance; Fred R. Buenrostro, Representative of the State Treasurer; D. Robert Shuman, Representative of the State Controller; Robert Martinez, Director, Office of Planning and Research; and Robert C. Creighton, Public Member.

There being a quorum present, Chairperson Gould called the meeting to order at 10:02 a.m.

Item 1 Minutes

Chairperson Gould asked if there were any corrections or additions to the minutes of the Commission's hearing of April 27, 1989. There were no corrections or additions.

The minutes were adopted without objection.

Consent Calendar

The following items were on the Commission's consent agenda:

- Item 2 Proposed Statement of Decision
Chapter 406, Statutes of 1988
Special Election - Bridges
- Item 3 Proposed Statement of Decision
Chapter 583, Statutes of 1985
Infectious Waste Enforcement
- Item 4 Proposed Statement of Decision
Chapter 980, Statutes of 1984
Court Audits
- Item 5 Proposed Statement of Decision
Chapter 1286, Statutes of 1985
Homeless Mentally Ill

- Item 6 Proposed Parameters and Guidelines Amendment
Chapter 1, Statutes of 1984, 2nd E.S.
Chapter 1118, Statutes of 1987
Health Fee Elimination
- Item 7 Proposed Parameters and Guidelines Amendment
Chapter 8, Statutes of 1988
Democratic Presidential Delegates
- Item 10 Proposed Statewide Cost Estimate
Chapter 498, Statutes of 1983
Education Code Section 48260.5
Notification of Truancy
- Item 12 Proposed Statewide Cost Estimate
Chapter 1226, Statutes of 1984
Chapter 1526, Statutes of 1985
Investment Reports

There being no discussion or appearances on Items 2, 3, 4, 5, 6, 7, 10, and 12, Member Buenrostro moved adoption of the staff recommendation on these items on the consent calendar. Member Martinez seconded the motion. The vote on the motion was unanimous. The motion carried.

The following items were continued:

- Item 13 Proposed Statewide Cost Estimate
Chapter 1335, Statutes of 1986
Trial Court Delay Reduction Act
- Item 16 Test Claim
Chapter 841, Statutes of 1982
Patients' Rights Advocates
- Item 17 Test Claim
Chapter 921, Statutes of 1987
Countywide Tax Rates

The next item to be heard by the Commission was:

- Item 8 Proposed Parameters and Guidelines Amendment
Chapter 961, Statutes of 1975
Collective Bargaining

The party requesting the proposed amendment, Fountain Valley School District, did not appear at the hearing. Carol Miller, appearing on behalf of the Education Mandated Cost Network, stated that the Network was interested in the issue of reimbursing a school district for the time the district Superintendent spent in, or preparing for, collective bargaining issues.

The Commission then discussed the issue of reimbursing the Superintendent's time as a direct cost to the mandated program or as an indirect cost as required by the federal publications OASC-10, and Federal Management Circular 74-4. Upon conclusion of this discussion, the Commission, staff, and Ms. Miller, agreed that the Commission could deny this proposed amendment by the Fountain Valley School District, and Ms. Miller could assist another district in an attempt to amend the parameters and guidelines to allow reimbursement of the Superintendent's cost relative to collective bargaining matters.

Member Creighton then inquired on the issue of holding collective bargaining sessions outside of normal working hours and the number of teachers the parameters and guidelines reimburse for participating in collective bargaining sessions. Ms. Miller stated that because of the classroom disruption that can result from the use of a substitute teacher, bargaining sessions are sometimes held outside of normal work hours for practical reasons. Ms. Miller also stated that the parameters and guidelines permit reimbursement for five substitute teachers.

Member Martinez moved and Member Buenrostro seconded a motion to adopt the staff recommendation to deny the proposed amendments to the parameters and guidelines. The roll call vote on the motion was unanimous. The motion carried.

Item 9 Proposed Statewide Cost Estimate
Chapter 498, Statutes of 1983
Education Code Section 51225.3
Graduation Requirements

Carol Miller appeared on behalf of the claimant, Santa Barbara Unified School District, Jim Apps and Don Enderton appeared on behalf of the Department of Finance, and Rick Knott appeared on behalf of the San Diego Unified School District.

Carol Miller began the discussion on this matter by stating her objection to the Department of Finance raising issues that were already argued in the parameters and guidelines hearings for this mandate. Based on this objection, Ms. Miller requested that the Commission adopt staff's recommendation and allow the Controller's Office to handle any audit exceptions.

Jim Apps stated that because school districts did not report funds that have been received by them, then the data reported in the survey is suspect. Therefore, the Department of Finance is not convinced that the cost estimate based on the data received by the schools is legitimate.

Discussion continued on the validity of the cost estimate and on the figures presented to the Commission for its consideration.

Member Creighton then made a motion to adopt staff's recommendation. Member Shuman seconded the motion. The vote on the motion was: Member Buenrostro, no; Member Creighton, aye; Member Martinez, no; Member Shuman, aye; and Chairperson Gould, no. The motion failed.

Chairperson Gould made an alternative motion that staff, the Department of Finance, and the school districts, conduct a pre-hearing conference and agree on an estimate to be presented to the Commission at a future hearing. Member Buenrostro seconded the motion. The roll call vote on the motion was unanimous. The motion carried.

Item 11 Statewide Cost Estimate
Chapter 815, Statutes of 1979
Chapter 1327, Statutes of 1984
Chapter 757, Statutes of 1985
Short-Doyle Case Management

Pamela Stone, representing the County of Fresno, stated that the county was in agreement with the staff proposed statewide cost estimate of \$20,000,000 for the 1985-86 through 1989-90 fiscal years, and was opposed to the reduction of the costs estimate being proposed by the Department of Mental Health's late filing.

Lynn Whetstone, representing the Department of Mental Health, stated that the Department agrees with the methodology used by Commission staff to develop the cost estimate, however, the Department questioned the manner in which Commission staff extrapolated its survey figures into a statewide estimate. Ms. Whetstone stated that due to the reasons stated in its late filing, the Department believes that the cost estimate be reduced to \$17,280,000.

Member Shuman moved, and Member Martinez seconded a motion to adopt the staff proposed statewide cost estimate of \$20,000,000 for the 1985-86 through 1989-90 fiscal years. The roll call vote on the motion was unanimous. The motion carried.

Item 14 State Mandates Apportionment System
Request for Review of Base Year Entitlement
Chapter 1242, Statutes of 1977
Senior Citizens' Property Tax Postponement

Leslie Hobson appeared on behalf of the claimant, County of Placer, and stated agreement with the staff analysis.

There were no other appearances and no further discussion.

Member Creighton moved approval of the staff recommendation. Member Shuman seconded the motion. The roll call vote was unanimous. The motion carried.

Item 15 Test Claim
Chapter 670, Statutes of 1987
Assigned Judges

Vicki Wajdak and Pamela Stone appeared on behalf of the claimant, County of Fresno. Beth Mullen appeared on behalf of the Administrative Office of

the Courts. Jim Apps appeared on behalf of the Department of Finance. Allan Burdick appeared on behalf of the County Supervisors Association of California. Pamela Stone restated the claimant's position that the revenue losses due to this statute were actually increased costs because Fresno is now required to compensate its part-time justice court judges for work performed for another county while on assignment. Beth Mullen stated her opposition to this interpretation because Fresno's part-time justice court judge cannot be assigned elsewhere until all work required to be performed for Fresno has been completed; therefore, Fresno is only required to compensate the judge for its own work.

There followed discussion by the parties and the Commission regarding the applicability of the Supreme Court's decisions in County of Los Angeles and Lucia Mar. Chairperson Gould asked Commission Counsel Gary Hori whether this statute imposed a new program and higher level of service as contemplated by these two decisions. Mr. Hori stated that it did meet the definition of new program and higher level of service as contemplated by the Supreme Court.

Member Creighton moved to adopt the staff recommendation to find a mandate on counties whose part-time justice court judge is assigned within the home county. Member Shuman seconded the motion. The roll call vote was unanimous. The motion carried.

Item 18 Test Claim
Chapter 1247, Statutes of 1977
Chapter 797, Statutes of 1980
Chapter 1373, Statutes of 1980
Public Law 99-372
Attorney's Fees - Special Education

Chairperson Gould recused himself from the hearing on this item.

Clayton Parker, representing the Newport-Mesa Unified School District, submitted a late filing on the test claim rebutting the staff analysis. Member Creighton stated that he had not had an opportunity to review the late filing and inquired on whether the claim should be heard at this hearing. Staff informed Member Creighton and Member Buenrostro that in reviewing the filing before this item was called, the filing appeared to be summary of the claimant's position on the staff analysis, and that there appeared to be no reason to continue the item.

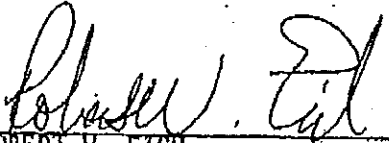
Mr. Parker stated that Commission staff had misstated the events that resulted in the claimant having to pay attorneys' fees to a pupil's guardians, and because of case law, courts do not have any discretion in awarding attorney's fees. Mr. Parker stated that because state legislation has codified the Federal Education of the Handicapped Act, school districts are subject to the provisions of Public Law 94-142 and Public Law 99-372. Member Buenrostro then inquired whether staff was comfortable with discussing the issue of a state executive order incorporating federal law.

Minutes
Hearing of May 25, 1989
Page 6

Staff informed the Commission that it was not comfortable discussing this issue, and further noted that it appeared that Mr. Parker was basing his reasoning for finding P.L. 99-372 to be a state mandated program, on the Board of Control's finding that Chapter 1247, Statutes of 1977, and Chapter 797, Statutes of 1980, were a state mandated program. Staff noted that Board of Control's finding is currently the subject of the litigation in Huff v. Commission on State Mandates (Sacramento County Superior Court Case No. 352295).

Member Creighton moved and Member Martinez seconded a motion to continue this item and have legal counsel and staff review the arguments presented by Mr. Parker. The vote on the motion was unanimous. The motion carried.

With no further items on the agenda, Chairperson Gould adjourned the hearing at 11:45 a.m.



ROBERT W. EICH
Executive Director

RWE:GLH:cm:0224g

DISTRICT'S
INCORRECT REDUCTION CLAIM
FILED WITH THE
COMMISSION ON STATE MANDATES
ON AUGUST 14, 2007

COMMISSION ON STATE MANDATES

980 NINTH STREET, SUITE 300
SACRAMENTO, CA 95814
PHONE: (916) 323-3562
FAX: (916) 445-0278
E-mail: csminfo@csm.ca.gov



August 23, 2007

Mr. Keith B. Petersen
SixTen and Associates
3841 North Freeway Blvd., Suite 170
Sacramento, CA 95834

Ms. Ginny Brummels
Division of Accounting and Reporting
State Controller's Office
3301 C Street, Suite 501
Sacramento, CA 95816

Re: **Incorrect Reduction Claim**
Health Fee Elimination, 07-4206-I-14
Education Code Section 76355;
Statutes 1984, 2nd E.S., Chapter 1; Statutes 1987, Chapter 1118
Fiscal Years 2002-2003 and 2003-2004
Pasadena Area Community College District, Claimant

Dear Mr. Petersen and Ms. Brummels:

On August 14, 2007, the Pasadena Area Community College District filed an incorrect reduction claim (IRC) with the Commission on State Mandates (Commission) based on the *Health Fee Elimination* program for fiscal years 2002-2003 and 2003-2004. Commission staff determined that the IRC filing is complete.

Government Code section 17551, subdivision (b), requires the Commission to hear and decide upon claims filed by local agencies and school districts that the State Controller's Office (SCO) has incorrectly reduced payments to the local agencies or school districts.

SCO Review and Response. Please file the SCO response and supporting documentation regarding this claim within 90 days of the date of this letter. Please include an explanation of the reason(s) for the reductions and the computation of reimbursements. All documentary evidence must be authenticated by declarations under penalty of perjury signed by persons who are authorized and competent to do so and be based on the declarant's personal knowledge, information or belief. The Commission's regulations also require that the responses (opposition or recommendation) filed with the Commission be simultaneously served on the claimants and their designated representatives, and accompanied by a proof of service (Cal. Code Regs., tit. 2, § 1185.01).

The failure of the SCO to respond within this 90-day timeline shall not cause the Commission to delay consideration of this IRC.

Claimant's Rebuttal. Upon receipt of the SCO response, the claimant and interested parties may file rebuttals. The rebuttals are due 30 days from the service date of the response.

Prehearing Conference. A prehearing conference will be scheduled if requested.

RECEIVED
STATE CONTROLLER'S OFFICE
DIVISION OF ACCOUNTING AND REPORTING
3301 C STREET, SUITE 501
SACRAMENTO, CA 95816
08/27 PM 3:01

Public Hearing and Staff Analysis. The public hearing on this claim will be scheduled after the record closes. A staff analysis will be issued on the IRC at least eight weeks prior to the public hearing.

Dismissal of Incorrect Reduction Claims. Under section 1188.31 of the Commission's regulations, IRCs may be dismissed if postponed or placed on inactive status by the claimant for more than one year. Prior to dismissing a claim, the Commission will provide 60 days notice and opportunity for the claimant to be heard on the proposed dismissal.

Please contact Victoria Soriano at (916) 323-8213 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy Patton", written in a cursive style.

NANCY PATTON
Assistant Executive Director

cc: Kindred Murillo, Vice-President, Administrative Services
Enclosure: Incorrect Reduction Claim Filing - (SCO only)

SixTen and Associates Mandate Reimbursement Services

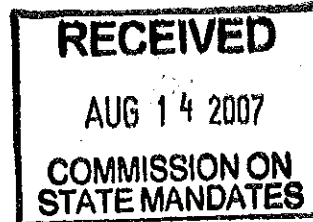
KEITH B. PETERSEN, MPA, JD, President
E-Mail: Kbpsixten@aol.com

San Diego
5252 Balboa Avenue, Suite 900
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Telephone: (858) 514-8605
Fax: (858) 514-8645

Sacramento
3841 North Freeway Blvd., Suite 170
Sacramento, CA 95834
Telephone: (916) 565-6104
Fax: (916) 564-6103

August 8, 2007

Paula Higashi, Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814



RE: Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84 Health Fee Elimination
Fiscal Years: 2002-03, and 2003-04

Dear Ms. Higashi:

Enclosed is the original and two copies of the above referenced second incorrect reduction claim for Pasadena Area Community College District.

SixTen and Associates has been appointed by the District as its representative for this matter and all interested parties should direct their inquiries to me, with a copy as follows:

Kindred Murillo
Vice-President, Administrative Services
Pasadena Area Community College District
1570 East Colorado Boulevard
Pasadena, CA 91106-2003

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith B. Petersen". The signature is fluid and cursive, with a long horizontal stroke at the end.

Keith B. Petersen

CC: Odessa Walker, Director, Fiscal Services

COMMISSION ON STATE MANDATES

1. INCORRECT REDUCTION CLAIM TITLE

1/84 Health Fee Elimination

2. CLAIMANT INFORMATION

Pasadena Area Community College District

Kindred Murillo
Vice-President, Administrative Services
1570 East Colorado Boulevard
Pasadena, CA 91106-2003
Voice: 626-585-7258
Fax: 626-585-7968
E-Mail: kimurillo@pasadena.edu

3. CLAIMANT REPRESENTATIVE INFORMATION

Claimant designates the following person to act as its sole representative in this incorrect reduction claim. All correspondence and communications regarding this claim shall be forwarded to this representative. Any change in representation must be authorized by the claimant in writing, and sent to the Commission on State Mandates.

Keith B. Petersen, President
SixTen and Associates
3841 North Freeway Blvd., Suite 170
Sacramento, CA 95834
Voice: (916) 565-6104
Fax: (916) 564-6103
E-mail: Kbp.sixten@aol.com

For GSM Use Only
Filing Date: **RECEIVED**
AUG 14 2007
COMMISSION ON STATE MANDATES

IRC #: 07-4206-1-14
4. IDENTIFICATION OF STATUTES OR EXECUTIVE ORDERS

Statutes of 1984, 2nd E. S., Chapter 1, and Statutes of 1987, Chapter 1118

Education Code Section 76355

5. AMOUNT OF SECOND INCORRECT REDUCTION

<u>Fiscal Year</u>	<u>Amount of Reduction</u>
2002-03	\$82,349
2003-04	\$110,406
TOTAL:	\$192,755

6. NOTICE OF INTENT NOT TO CONSOLIDATE

— This claim is not being filed with the intent to consolidate on behalf of other claimants.

Sections 7-13 are attached as follows:

7. **Second Incorrect Reduction Claim** : Pages 1 to 14
8. **Controller's letters:** Exhibit A
9. **SCO Legal Counsel's Letter:** Exhibit B
10. **Parameters and Guidelines:** Exhibit C
11. **Claiming Instructions:** Exhibit D
12. **SCO Audit Report** Exhibit E
13. **Reimbursement Claims** Exhibit F

14. CLAIM CERTIFICATION

This claim alleges an incorrect reduction of a reimbursement claim filed with the State Controller's Office pursuant to Government Code section 17561. This incorrect reduction claim is filed pursuant to Government Code section 17551, subdivision (d). I hereby declare, under penalty of perjury under the laws of the State of California, that the information in this incorrect reduction claim submission is true and complete to the best of my own knowledge or information or belief.

Kindred Murillo
Vice-President, Administrative Services

Kindred Murillo 8-2-07
Signature Date

1 Claim Prepared by:
2 Keith B. Petersen
3 SixTen and Associates
4 3841 North Freeway Blvd., Suite 170
5 Sacramento, California 95834
6 Voice: (916) 565-6104
7 Fax: (916) 564-6103

8 BEFORE THE
9 COMMISSION ON STATE MANDATES
10 STATE OF CALIFORNIA

11 SECOND INCORRECT REDUCTION)
12 CLAIM OF:)
13) No. CSM _____
14)
15) Chapter 1, Statutes of 1984, 2nd E.S.
16) Chapter 1118, Statutes of 1987
17)
18 **PASADENA AREA**)
19 Community College District,) Education Code Section 76355
20)
21) **Health Fee Elimination**
22 Claimant.)
23) Annual Reimbursement Claims:
24)
25) Fiscal Year 2002-03
26) Fiscal Year 2003-04
27)
28 _____) **INCORRECT REDUCTION CLAIM FILING**

29 PART I. AUTHORITY FOR THE CLAIM

30 The Commission on State Mandates has the authority pursuant to Government
31 Code Section 17551(d) to "... hear and decide upon a claim by a local agency or
32 school district, filed on or after January 1, 1985, that the Controller has incorrectly
33 reduced payments to the local agency or school district pursuant to paragraph (2) of
34 subdivision (d) of Section 17561." Pasadena Area Community College District
35 (hereafter "District" or "Claimant") is a school district as defined in Government Code

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

1 Section 17519. Title 2, CCR, Section 1185 (a), requires a claimant to file an incorrect
2 reduction claim with the Commission.

3 This incorrect reduction claim is timely filed. Title 2, CCR, Section 1185 (b),
4 requires incorrect reduction claims to be filed no later than three years following the
5 date of the Controller's remittance advice notifying the claimant of a reduction. A
6 Controller's audit report dated June 30, 2006, has been issued. The audit report
7 constitutes a demand for repayment and adjudication of the claims. On October 22,
8 2006, the Controller issued a "results of review letter" reporting the audit results for the
9 FY 2002-03 claim, demanding payment of amounts due to the State. On December 16,
10 2006, the Controller issued a "results of review letter" for the FY 2003-04 claim,
11 demanding payment of amounts due to the State. A copy of the Controller's letters are
12 attached as Exhibit "A."

13 There is no alternative dispute resolution process available from the Controller's
14 office. In response to an audit issued March 10, 2004, Foothill-De Anza Community
15 College attempted to utilize the informal audit review process established by the
16 Controller to resolve factual disputes. Foothill-De Anza was notified by the Controller's
17 legal counsel by letter of July 15, 2004 (attached as Exhibit "B"), that the Controller's
18 informal audit review process was not available for mandate audits and that the proper
19 forum was the Commission on State Mandates.

20 PART II. SUMMARY OF THE CLAIM

21 The Controller conducted a field audit of the District's annual reimbursement

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

claims for the costs of complying with the legislatively mandated Health Fee Elimination Program (Chapter 1, Statutes of 1984, 2nd Extraordinary Session, and Chapter 1118, Statutes of 1987) for the period of July 1, 2002 through June 30, 2004. As a result of the audit, the Controller determined that \$192,755 of the claimed costs are unallowable:

<u>Fiscal Year</u>	<u>Amount Claimed</u>	<u>Audit Adjustment</u>	<u>SCO Payments</u>	<u>Amount Due <State> District</u>
2002-03	\$202,954	\$82,349	\$0	\$120,605
<u>2003-04</u>	<u>\$185,047</u>	<u>\$110,406</u>	<u>\$0</u>	<u>\$74,641</u>
Totals	\$388,001	\$192,755	\$0	\$195,246

Since the District has not been fully paid for these claims, the audit report concludes that a remaining amount of \$195,246 will be paid by the State. However, on October 22, 2006, the Controller paid \$120,605 for the FY 2002-03 annual claim. The Controller has not paid the FY 2003-04 annual claim.

PART III. PREVIOUS INCORRECT REDUCTION CLAIMS

On July 3, 2006, the District filed a previous incorrect reduction claim for Fiscal Years 1999-00, 2000-01, and 2001-02 for this mandate program. The District is not aware of any other incorrect reduction claims having been adjudicated on the specific issues or subject matter raised by this incorrect reduction claim.

PART IV. BASIS FOR REIMBURSEMENT

1. Mandate Legislation

Chapter 1, Statutes of 1984, 2nd Extraordinary Session, repealed Education Code Section 72246 which had authorized community college districts to charge a

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

1 student health services fee for the purpose of providing student health supervision and
2 services, direct and indirect medical and hospitalization services, and operation of
3 student health centers. This statute also required the scope of student health services
4 for which a community college district charged a fee during the 1983-84 fiscal year be
5 maintained at that level thereafter. The provisions of this statute were to automatically
6 repeal on December 31, 1987.

7 Chapter 1118, Statutes of 1987, amended Education Code Section 72246 to
8 require any community college district that provided student health services in 1986-87
9 to maintain student health services at that level each fiscal year thereafter.

10 Chapter 8, Statutes of 1993, Section 29, repealed Education Code Section
11 72246, effective April 15, 1993. Chapter 8, Statutes of 1993, Section 34, added
12 Education Code Section 76355¹, containing substantially the same provisions as former

¹ Education Code Section 76355, added by Chapter 8, Statutes of 1993, Section 34, effective April 15, 1993, as last amended by Chapter 320, Statutes of 2005, Section 2:

“(a) The governing board of a district maintaining a community college may require community college students to pay a fee in the total amount of not more than ten dollars (\$10) for each semester, seven dollars (\$7) for summer school, seven dollars (\$7) for each intersession of at least four weeks, or seven dollars (\$7) for each quarter for health supervision and services, including direct or indirect medical and hospitalization services, or the operation of a student health center or centers, or both.

The governing board of each community college district may increase this fee by the same percentage increase as the Implicit Price Deflator for State and Local Government Purchase of Goods and Services. Whenever that calculation produces an increase of one dollar (\$1) above the existing fee, the fee may be increased by one dollar (\$1).

(b) If, pursuant to this section, a fee is required, the governing board of the district shall decide the amount of the fee, if any, that a part-time student is required to pay. The governing board may decide whether the fee shall be mandatory or optional.

(c) The governing board of a district maintaining a community college shall adopt

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

1 Section 72246, effective April 15, 1993.

2 2. Test Claim

3 On December 2, 1985, Rio Hondo Community College District filed a test claim
4 alleging that Chapter 1, Statutes of 1984, 2nd Extraordinary Session, by eliminating the

rules and regulations that exempt the following students from any fee required pursuant to subdivision (a):

(1) Students who depend exclusively upon prayer for healing in accordance with the teachings of a bona fide religious sect, denomination, or organization.

(2) Students who are attending a community college under an approved apprenticeship training program.

(3) Low-income students, including students who demonstrate financial need in accordance with the methodology set forth in federal law or regulation for determining the expected family contribution of students seeking financial aid and students who demonstrate eligibility according to income standards established by the board of governors and contained in Section 58620 of Title 5 of the California Code of Regulations.

(d) All fees collected pursuant to this section shall be deposited in the fund of the district designated by the California Community Colleges Budget and Accounting Manual. These fees shall be expended only to provide health services as specified in regulations adopted by the board of governors.

Authorized expenditures shall not include, among other things, athletic trainers' salaries, athletic insurance, medical supplies for athletics, physical examinations for intercollegiate athletics, ambulance services, the salaries of health professionals for athletic events, any deductible portion of accident claims filed for athletic team members, or any other expense that is not available to all students. No student shall be denied a service supported by student health fees on account of participation in athletic programs.

(e) Any community college district that provided health services in the 1986-87 fiscal year shall maintain health services, at the level provided during the 1986-87 fiscal year, and each fiscal year thereafter. If the cost to maintain that level of service exceeds the limits specified in subdivision (a), the excess cost shall be borne by the district.

(f) A district that begins charging a health fee may use funds for startup costs from other district funds and may recover all or part of those funds from health fees collected within the first five years following the commencement of charging the fee.

(g) The board of governors shall adopt regulations that generally describe the types of health services included in the health service program."

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

1 authority to levy a fee and by requiring a maintenance of effort, mandated increased
2 costs by mandating a new program or the higher level of service of an existing program
3 within the meaning of California Constitution Article XIII B, Section 6.

4 On November 20, 1986, the Commission on State Mandates determined that
5 Chapter 1, Statutes of 1984, 2nd Extraordinary Session, imposed a new program upon
6 community college districts by requiring any community college district, which provided
7 student health services for which it was authorized to charge a fee pursuant to former
8 Section 72246 in the 1983-1984 fiscal year, to maintain student health services at that
9 level in the 1984-1985 fiscal year and each fiscal year thereafter.

10 At a hearing on April 27, 1989, the Commission of State Mandates determined
11 that Chapter 1118, Statutes of 1987, amended this maintenance of effort requirement
12 to apply to all community college districts which provided student health services in
13 fiscal year 1986-1987 and required them to maintain that level of student health
14 services in fiscal year 1987-1988 and each fiscal year thereafter.

15 3. Parameters and Guidelines

16 On August 27, 1987, the original parameters and guidelines were adopted. On
17 May 25, 1989, those parameters and guidelines were amended. A copy of the
18 parameters and guidelines, as amended on May 25, 1989, is attached as Exhibit "C."
19 So far as is relevant to the issues presented below, the parameters and guidelines
20 state:

21 /

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

1 "V. REIMBURSABLE COSTS

2 A. Scope of Mandate

3 Eligible community college districts shall be reimbursed for
4 the costs of providing a health services program. Only
5 services provided in 1986-87 fiscal year may be claimed. ...

6 VI. CLAIM PREPARATION

7 B. ... 3. Allowable Overhead Cost

8 Indirect costs may be claimed in the manner
9 described by the State Controller in his claiming
10 instructions.

11 VII. SUPPORTING DATA

12 For auditing purposes, all costs claimed must be traceable to
13 source documents and/or worksheets that show evidence of the
14 validity of such costs. ...

15 VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

16 Any offsetting savings the claimant experiences as a direct result of
17 this statute must be deducted from the costs claimed. In addition,
18 reimbursement for this mandate received from any source, e.g.,
19 federal, state, etc., shall be identified and deducted from this claim.
20 This shall include the amount of \$7.50 per full-time student per
21 semester, \$5.00 per full-time student for summer school, or \$5.00
22 per full-time student per quarter, as authorized by Education Code
23 section 72246(a). This shall also include payments (fees) received
24 from individuals other than students who are not covered by
25 Education Code Section 72246 for health services. ... "

26 4. Claiming Instructions

27 The Controller has frequently revised claiming instructions for the Health Fee
28 Elimination mandate. A copy of the September 1997 revision of the claiming
29 instructions is attached as Exhibit "D." The September 1997 claiming instructions are

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

1 believed to be, for the purposes and scope of this incorrect reduction claim,
2 substantially similar to the version extant at the time the claims which are the subject of
3 this incorrect reduction claim were filed. However, since the Controller's claim forms
4 and instructions have not been adopted as regulations, they have no force of law, and,
5 therefore, have no effect on the outcome of this incorrect reduction claim.

6 PART V. STATE CONTROLLER CLAIM ADJUDICATION

7 The Controller conducted an audit of the District's annual reimbursement claims
8 for Fiscal Years 2002-03, and 2003-04. The audit concluded that 50% of the District's
9 costs, as claimed, are allowable. A copy of the June 30, 2006-audit report is attached
10 as Exhibit "E."

11 VI. CLAIMANT'S RESPONSE TO THE STATE CONTROLLER

12 The Controller issued a draft audit report on or about May 5, 2006. The District
13 did not respond to the draft audit report in anticipation of this incorrect reduction claim.

14 PART VII. STATEMENT OF THE ISSUES

15 **Finding 1: Unallowable salaries and benefits, and related indirect costs**

16 The District is not disputing this adjustment.

17 **Finding 2: Unallowable athletic insurance costs**

18 The District is not disputing this adjustment.

19 **Finding 3: Overstated indirect costs**

20 The District is not disputing this adjustment.

21 /

1 **Finding 4: Understated authorized health fee revenues claimed**

2 The Controller adjusted the reported enrollment and number of students subject
3 to payment of the health services fee which resulted in an adjustment of \$159,341 for
4 the two fiscal years. The stated basis for the adjustment was the that Controller
5 "recalculated the authorized health fee revenues by multiplying student enrollment by
6 semester, net of allowable health fee exemptions, by the authorized student health fee.
7 We obtained student enrollment information from the chancellor's office and the student
8 health fee waiver information from the district's list of Board of Governors Grant
9 (BOGG) students." The District reported its actual health fees collected as "required,"
10 not "authorized" health fee revenues.

11 Education Code Section 76355

12 Education Code Section 76355, subdivision (a), in relevant part, provides: "The
13 governing board of a district maintaining a community college *may require* community
14 college students to pay a fee ... for health supervision and services ... " There is no
15 requirement that community colleges levy these fees. The permissive nature of the
16 provision is further illustrated in subdivision (b) which states "*If, pursuant to this Section,*
17 *a fee is required, the governing board of the district shall decide the amount of the fee,*
18 *if any, that a part-time student is required to pay. The governing board may decide*
19 *whether the fee shall be mandatory or optional.*"

20 Parameters and Guidelines

21 The Controller states the "*Parameters and Guidelines* states that health fees

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

1 authorized by *Education Code* must be deducted from costs claimed.” The parameters
2 and guidelines actually state:

3 “Any offsetting savings that the claimant experiences as a direct result of
4 this statute must be deducted from the costs claimed. In addition,
5 reimbursement for this mandate received from any source, e.g., federal, state,
6 etc., shall be identified and deducted from this claim. This shall include the
7 amount of [student fees] as authorized by Education Code Section 72246(a)².”

8 In order for a district to “experience” these “offsetting savings” a district must actually
9 have collected these fees. Student health services fees actually collected must be
10 used to offset costs, but not student fees that could have been collected and were not.
11 The use of the term “any offsetting savings” further illustrates the permissive nature of
12 the fees.

13 Government Code Section 17514

14 Nor can the Controller rely upon Government Code Section 17514 for the
15 conclusion that to the extent community college districts can charge a fee, they are not
16 required to incur a cost. Government Code Section 17514, as added by Chapter 1459,
17 Section 1, Statutes of 1984, states:

18 “Costs mandated by the state” means any increased costs which a local
19 agency or school district is required to incur after July 1, 1980, as a result of any
20 statute enacted on or after January 1, 1975, or any executive order implementing
21 any statute enacted on or after January 1, 1975, which mandates a new program
22 or higher level of service of an existing program within the meaning of Section 6
23 of Article XIII B of the California Constitution.”

24 There is nothing in the language of the statute regarding the authority to charge a fee,

² Former Education Code Section 72246 was repealed by Chapter 8, Statutes of 1993, Section 29, and was replaced by Education Code Section 76355.

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

1 any nexus of fee revenue to increased cost, nor any language which describes the legal
2 effect of fees collected.

3 Government Code Section 17556

4 Nor can the Controller rely upon Government Code Section 17556 for the
5 conclusion that there are no claimable costs mandated by the State where the
6 claimants have the authority to collect a service fee. Government Code Section 17556
7 as last amended by Chapter 538, Statutes of 2006 states:

8 "The commission shall not find costs mandated by the state, as defined in
9 Section 17514, in any claim submitted by a local agency or school district, if after
10 a hearing, the commission finds any one of the following ...

11 (d) The local agency or school district has the authority to levy service
12 charges, fees, or assessments sufficient to pay for the mandated program or
13 increased level of service. ..."

14 Government Code Section 17556 prohibits the Commission on State Mandates from
15 finding costs subject to reimbursement, that is, approving a test claim activity for
16 reimbursement, where there is authority to levy fees in an amount sufficient to offset the
17 entire mandated costs. Here, the Commission has already approved the test claim and
18 made a finding of a new program or higher level of service for which the claimants do
19 not have the ability to levy a fee in an amount sufficient to offset the entire mandated
20 costs.

21 Fees Collected vs. Fees Collectible

22 This issue is one of student health fees revenue actually received, rather than
23 student health fees which might be collected. Student fees not collected are student
24 fees not "experienced" and as such should not reduce reimbursement. Further, the

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

1 amount "collectible" will never equal actual revenues collected due to changes in
2 student BOGG eligibility, bad debt accounts, and refunds.

3 Because districts are not required to collect a fee from students for student
4 health services, and if such a fee is collected, the amount is to be determined by the
5 District and not the Controller, the Controller's adjustment is without legal basis. What
6 claimants are required by the parameters and guidelines to do is to reduce the amount
7 of their claimed costs by the amount of student health services fee revenue actually
8 received, which the District has done for this incorrect reduction claim. Therefore,
9 student health fees are merely collectible, they are not mandatory, and it is
10 inappropriate to reduce claim amounts by revenues not received.

11 Enrollment and Exempted Student Statistics

12 The Controller adjusted the reported total student enrollment based on data
13 available from the office of the Chancellor of the Community Colleges and reported
14 number of exempt students based upon information from the district's list of Board of
15 Governors Grant students. The information obtained from the Chancellor's office is
16 based on information originally provided to the Chancellor by the District in the normal
17 course of business. The Controller has not provided any factual basis why the
18 Chancellor's data, subject to review and revision after the fact for several years, is
19 preferable to the data reported by the District which was available at the time the claims
20 were prepared. The Controller does not indicate how and why its determination of
21 "actual" student counts is any more "actual" than the amount reported on the claims.

PART VIII. RELIEF REQUESTED

1
2 The District filed its annual reimbursement claims within the time limits
3 prescribed by the Government Code. The amounts claimed by the District for
4 reimbursement of the costs of implementing the program imposed by Chapter 1,
5 Statutes of 1984, 2nd E.S., Chapter 1118, Statutes of 1987, and Education Code
6 Section 76355 represent the actual costs incurred by the District to carry out this
7 program. These costs were properly claimed pursuant to the Commission's parameters
8 and guidelines. Reimbursement of these costs is required under Article XIII B, Section 6
9 of the California Constitution. The Controller denied reimbursement without any basis
10 in law or fact. The District has met its burden of going forward on this claim by
11 complying with the requirements of Section 1185, Title 2, California Code of
12 Regulations. Because the Controller has enforced and is seeking to enforce these
13 adjustments without benefit of statute or regulation, the burden of proof is now upon the
14 Controller to establish a legal basis for its actions.

15 The District requests that the Commission make findings of fact and law on each
16 and every adjustment made by the Controller and each and every procedural and
17 jurisdictional issue raised in this claim, and order the Controller to correct its audit report
18 findings therefrom.

19 /

20 /

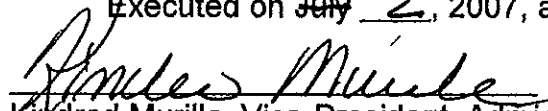
21 /

Second Incorrect Reduction Claim of Pasadena Area Community College District
1/84; 1118/87 Health Fee Elimination

PART IX. CERTIFICATION

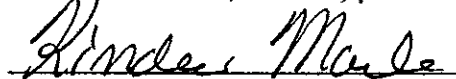
By my signature below, I hereby declare, under penalty of perjury under the laws of the State of California, that the information in this incorrect reduction claim submission is true and complete to the best of my own knowledge or information or belief, and that the attached documents are true and correct copies of documents received from or sent by the state agency which originated the document.

Executed on ^{Aug} ~~July~~ 2, 2007, at Pasadena, California, by


Kindred Murillo, Vice-President, Administrative Services
Pasadena Area Community College District
1570 East Colorado Boulevard
Pasadena, CA 91106-2003
Voice: 626-585-7258
Fax: 626-585-7968
E-Mail: kimurillo@pasadena.edu

APPOINTMENT OF REPRESENTATIVE

Pasadena Area Community College District appoints Keith B. Petersen, SixTen and Associates, as its representative for this incorrect reduction claim.


Kindred Murillo, Vice-President, Administrative Services
Pasadena Area Community College District

8-2-07
Date

Attachments:

Exhibit "A"	Controller's letters of October 22, 2006, and December 16, 2006
Exhibit "B"	SCO Legal Counsel's Letter of July 15, 2004
Exhibit "C"	Parameters and Guidelines as amended May 25, 1989
Exhibit "D"	Controller's Claiming Instructions revised September 1997
Exhibit "E"	SCO Audit Report dated June 30, 2006
Exhibit "F"	Annual reimbursement claims



STEVE WESTLY
 California State Controller
 Division of Accounting and Reporting
 OCTOBER 22, 2006

CC19335
 00234
 2006/10/22

RECEIVED OCT 25 2006

BOARD OF TRUSTEES
 PASADENA AREA COMM COLL DIST
 LOS ANGELES COUNTY
 1570 E COLORADO BLVD
 PASADENA CA 91106

DEAR CLAIMANT:

RE: HEALTH FEE ELIMINATION (CC)

WE HAVE REVIEWED YOUR 2002/2003 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED 202,954.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 82,349.00

TOTAL ADJUSTMENTS - 82,349.00

AMOUNT DUE CLAIMANT \$ 120,605.00

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT GWENDOLYN L. CARLOS AT (916) 324-2341 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. THE PAYMENT WILL BE FORTHCOMING WITHIN 30 DAYS.

SINCERELY,

Ginny Brummels
 GINNY BRUMMELS, MANAGER



STEVE WESTLY
 California State Controller
 Division of Accounting and Reporting
 DECEMBER 16, 2006

CC19335
 00234
 2006/12/16

RECEIVED DEC 19 2006

BOARD OF TRUSTEES
 PASADENA AREA COMM COLL DIST
 LOS ANGELES COUNTY
 1570 E COLORADO BLVD
 PASADENA CA 91106

DEAR CLAIMANT:

RE: HEALTH FEE ELIMINATION (CC)

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		185,047.00
ADJUSTMENT TO CLAIM:		
FIELD AUDIT FINDINGS	-	110,406.00
TOTAL ADJUSTMENTS	-	<u>110,406.00</u>
AMOUNT DUE CLAIMANT		<u>\$ 74,641.00</u>

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT FRAN STUART AT (916) 323-0766 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. THE PAYMENT WILL BE FORTHCOMING WITHIN 30 DAYS.

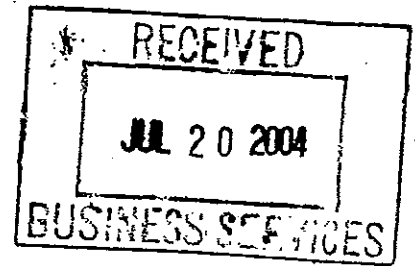
SINCERELY,

Ginny Brummels
 GINNY BRUMMELS, MANAGER

LOCAL REIMBURSEMENT SECTION



STEVE WESTLY
California State Controller



July 15, 2004

Mike Brandy, Vice Chancellor
Foothill-De Anza Community College District
12345 El Monte Road
Los Altos, CA 94022

Re: Foothill-De Anza Community College District Audit

Dear Mr. Brandy:

This is in response to your letter to me dated May 13, 2004, concerning the Controller's Audit of the Health Fee claim.


The Controller's informal audit review process was established to resolve factual disputes where no other forum for resolution, other than a judicial proceeding, is available.

The proper forum for resolving issues involving mandated cost programs is through the incorrect reduction process through the Commission on State Mandates. As such, this office will not be scheduling an informal conference for this matter.

However, in light of the concerns expressed in your letter concerning the auditors assigned and the validity of the findings, I am forwarding your letter to Vince Brown, Chief Operating Officer, for his review and response.

If you have any questions you may contact Mr. Vince Brown at (916) 445-2038.

Very truly yours,



RICHARD J. CHIVARO
Chief Counsel

RJC/st

cc: Vincent P. Brown, Chief Operating Officer, State Controller's Office
Jeff Brownfield, Chief, Division of Audits, State Controller's Office

Adopted: 8/27/87
Amended: 5/25/89

PARAMETERS AND GUIDELINES
Chapter 1, Statutes of 1984, 2nd E.S.
Chapter 1118, Statutes of 1987
Health Fee Elimination

I. SUMMARY OF MANDATE

Chapter 1, Statutes of 1984, 2nd E.S. repealed Education Code Section 72246 which had authorized community college districts to charge a health fee for the purpose of providing health supervision and services, direct and indirect medical and hospitalization services, and operation of student health centers. This statute also required that health services for which a community college district charged a fee during the 1983-84 fiscal year had to be maintained at that level in the 1984-85 fiscal year and every year thereafter. The provisions of this statute would automatically repeal on December 31, 1987, which would reinstate the community colleges districts' authority to charge a health fee as specified.

Chapter 1118, Statutes of 1987, amended Education Code section 72246 to require any community college district that provided health services in 1986-87 to maintain health services at the level provided during the 1986-87 fiscal year in 1987-88 and each fiscal year thereafter.

II. COMMISSION ON STATE MANDATES' DECISION

At its hearing on November 20, 1986, the Commission on State Mandates determined that Chapter 1, Statutes of 1984, 2nd E.S. imposed a "new program" upon community college districts by requiring any community college district which provided health services for which it was authorized to charge a fee pursuant to former Section 72246 in the 1983-84 fiscal year to maintain health services at the level provided during the 1983-84 fiscal year in the 1984-85 fiscal year and each fiscal year thereafter. This maintenance of effort requirement applies to all community college districts which levied a health services fee in the 1983-84 fiscal year, regardless of the extent to which the health services fees collected offset the actual costs of providing health services at the 1983-84 fiscal year level.

At its hearing of April 27, 1989, the Commission determined that Chapter 1118, Statutes of 1987, amended this maintenance of effort requirement to apply to all community college districts which provided health services in fiscal year 1986-87 and required them to maintain that level in fiscal year 1987-88 and each fiscal year thereafter.

III. ELIGIBLE CLAIMANTS

Community college districts which provided health services in 1986-87 fiscal year and continue to provide the same services as a result of this mandate are eligible to claim reimbursement of those costs.

IV. PERIOD OF REIMBURSEMENT

Chapter 1, Statutes of 1984, 2nd E.S., became effective July 1, 1984. Section 17557 of the Government Code states that a test claim must be submitted on or before November 30th following a given fiscal year to establish for that fiscal year. The test claim for this mandate was filed on November 27, 1985; therefore, costs incurred on or after July 1, 1984, are reimbursable. Chapter 1118, Statutes of 1987, became effective January 1, 1988. Title 2, California Code of Regulations, section 1185.3(a) states that a parameters and guidelines amendment filed before the deadline for initial claims as specified in the Claiming Instructions shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines; therefore, costs incurred on or after January 1, 1988, for Chapter 1118, Statutes of 1987, are reimbursable.

Actual costs for one fiscal year should be included in each claim. Estimated costs for the subsequent year may be included on the same claim if applicable. Pursuant to Section 17561(d)(3) of the Government Code, all claims for reimbursement of costs shall be submitted within 120 days of notification by the State Controller of the enactment of the claims bill.

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

V. REIMBURSABLE COSTS

A. Scope of Mandate

Eligible community college districts shall be reimbursed for the costs of providing a health services program. Only services provided in 1986-87 fiscal year may be claimed.

B. Reimbursable Activities

For each eligible claimant, the following cost items are reimbursable to the extent they were provided by the community college district in fiscal year 1986-87:

ACCIDENT REPORTS

APPOINTMENTS

- College Physician - Surgeon
- Dermatology, Family Practice, Internal Medicine
- Outside Physician
- Dental Services
- Outside Labs (X-ray, etc.)
- Psychologist, full services
- Cancel/Change Appointments
- R.N.
- Check Appointments

ASSESSMENT, INTERVENTION & COUNSELING

- Birth Control
- Lab Reports
- Nutrition
- Test Results (office)
- VD
- Other Medical Problems
- CD
- URI
- ENT
- Eye/Vision
- Derm./Allergy
- Gyn/Pregnancy Services
- Neuro
- Ortho
- GU
- Dental
- GI
- Stress Counseling
- Crisis Intervention
- Child Abuse Reporting and Counseling
- Substance Abuse Identification and Counseling
- Aids
- Eating Disorders
- Weight Control
- Personal Hygiene
- Burnout

EXAMINATIONS (Minor Illnesses)

- Recheck Minor Injury

HEALTH TALKS OR FAIRS - INFORMATION

- Sexually Transmitted Disease
- Drugs
- Aids
- Child Abuse
- Birth Control/Family Planning
- Stop Smoking
- Etc.
- Library - videos and cassettes

FIRST AID (Major Emergencies)

FIRST AID (Minor Emergencies)

FIRST AID KITS (Filled)

IMMUNIZATIONS

- Diphtheria/Tetanus
- Measles/Rubella
- Influenza
- Information

INSURANCE

- On Campus Accident
- Voluntary
- Insurance Inquiry/Claim Administration

LABORATORY TESTS DONE

- Inquiry/Interpretation
- Pap Smears

PHYSICALS

- Employees
- Students
- Athletes

MEDICATIONS (dispensed OTC for misc. illnesses)

- Antacids
- Antidiarrhial
- Antihistamines
- Aspirin, Tylenol, etc.
- Skin rash preparations
- Misc.
- Eye drops
- Ear drops
- Toothache - Oil cloves
- Stingkill
- Mido1 - Menstrual Cramps

PARKING CARDS/ELEVATOR KEYS

- Tokens
- Return card/key
- Parking inquiry
- Elevator passes
- Temporary handicapped parking permits

REFERRALS TO OUTSIDE AGENCIES

- Private Medical Doctor
- Health Department
- Clinic
- Dental
- Counseling Centers
- Crisis Centers
- Transitional Living Facilities (Battered/Homeless Women)
- Family Planning Facilities
- Other Health Agencies

TESTS

- Blood Pressure
- Hearing
- Tuberculosis
- Reading
- Information
- Vision
- Glucometer
- Urinalysis

Hemoglobin
E.K.G.
Strep A testing
P.G. testing
Monospot
Hemacult
Misc.

MISCELLANEOUS

Absence Excuses/PE Waiver
Allergy Injections
Band-aids
Booklets/Pamphlets
Dressing Change
Rest
Suture Removal
Temperature
Weigh
Misc.
Information
Report/Form
Wart Removal

COMMITTEES

Safety
Environmental
Disaster Planning

SAFETY DATA SHEETS

Central file

X-RAY SERVICES

COMMUNICABLE DISEASE CONTROL

BODY FAT MEASUREMENTS

MINOR SURGERIES

SELF-ESTEEM GROUPS

MENTAL HEALTH CRISIS

AA GROUP

ADULT CHILDREN OF ALCOHOLICS GROUP

WORKSHOPS

Test Anxiety
Stress Management
Communication Skills
Weight Loss
Assertiveness Skills

VI. CLAIM PREPARATION

Each claim for reimbursement pursuant to this mandate must be timely filed and set forth a list of each item for which reimbursement is claimed under this mandate.

A. Description of Activity

1. Show the total number of full-time students enrolled per semester/quarter.
2. Show the total number of full-time students enrolled in the summer program.
3. Show the total number of part-time students enrolled per semester/quarter.
4. Show the total number of part-time students enrolled in the summer program.

B. Actual Costs of Claim Year for Providing 1986-87 Fiscal Year Program Level of Service

Claimed costs should be supported by the following information:

1. Employee Salaries and Benefits

Identify the employee(s), show the classification of the employee(s) involved, describe the mandated functions performed and specify the actual number of hours devoted to each function, the productive hourly rate, and the related benefits. The average number of hours devoted to each function may be claimed if supported by a documented time study.

2. Services and Supplies

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

3. Allowable Overhead Cost

Indirect costs may be claimed in the manner described by the State Controller in his claiming instructions.

VII. SUPPORTING DATA

For auditing purposes, all costs claimed must be traceable to source documents and/or worksheets that show evidence of the validity of such costs. This would include documentation for the fiscal year 1986-87 program to substantiate a maintenance of effort. These documents must be kept on file by the agency submitting the claim for a period of no

less than three years from the date of the final payment of the claim pursuant to this mandate, and made available on the request of the State Controller or his agent.

VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

Any offsetting savings the claimant experiences as a direct result of this statute must be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, e.g., federal, state, etc., shall be identified and deducted from this claim. This shall include the amount of \$7.50 per full-time student per semester, \$5.00 per full-time student for summer school, or \$5.00 per full-time student per quarter, as authorized by Education Code section 72246(a). This shall also include payments (fees) received from individuals other than students who are not covered by Education Code Section 72246 for health services.

IX. REQUIRED CERTIFICATION

The following certification must accompany the claim:

I DO HEREBY CERTIFY under penalty of perjury:

THAT the foregoing is true and correct:

THAT Section 1090 to 1096, inclusive, of the Government Code and other applicable provisions of the law have been complied with;

and

THAT I am the person authorized by the local agency to file claims for funds with the State of California.

Signature of Authorized Representative

Date

Title

Telephone No.

HEALTH FEE ELIMINATION

1. Summary of Chapters 1/84, 2nd E.S., and Chapter 1118/87

Chapter 1, Statutes of 1984, 2nd E.S., repealed Education Code § 72246 which authorized community college districts to charge a fee for the purpose of providing health supervision and services, direct and indirect medical and hospitalization services, and operation of student health centers. The statute also required community college districts that charged a fee in the 1983/84 fiscal year to maintain that level of health services in the 1984/85 fiscal year and each fiscal year thereafter. The provisions of this statute would automatically repeal on December 31, 1987, which would reinstate the community college districts' authority to charge a health fee as specified.

Chapter 1118, Statutes of 1987 amended Education Code § 72246 to require any community college district that provided health services in the 1986/87 fiscal year to maintain health services at that level in the 1986/87 fiscal year and each fiscal year thereafter. Chapter 8, Statutes of 1993, has revised the numbering of § 72246 to § 76355.

2. Eligible Claimants

Any community college district incurring increased costs as a result of this mandate is eligible to claim reimbursement of these costs.

3. Appropriations

To determine if current funding is available for this program, refer to the schedule "Appropriations for State Mandated Cost Programs" in the "Annual Claiming Instructions for State Mandated Costs" issued in mid-September of each year to community college presidents.

4. Types of Claims

A. Reimbursement and Estimated Claims

A claimant may file a reimbursement claim and/or an estimated claim. A reimbursement claim details the costs actually incurred for a prior fiscal year. An estimated claim shows the costs to be incurred for the current fiscal year.

B. Minimum Claim

Section 17564(a), Government Code, provides that no claim shall be filed pursuant to Section 17561 unless such a claim exceeds \$200 per program per fiscal year.

5. Filing Deadline

- (1) Refer to item 3 "Appropriations" to determine if the program is funded for the current fiscal year. If funding is available, an estimated claim must be filed with the State Controller's Office and postmarked by November 30, of the fiscal year in which costs are to be incurred. Timely filed estimated claims will be paid before late claims.

After having received payment for an estimated claim, the claimant must file a reimbursement claim by November 30, of the following fiscal year regardless whether the payment was more or less than the actual costs. If the local agency fails to file a reimbursement claim, monies received must be returned to the State. If no estimated claim was filed, the local agency may file a reimbursement

claim detailing the actual costs incurred for the fiscal year, provided there was an appropriation for the program for that fiscal year. (See item 3 above).

- (2) A reimbursement claim detailing the actual costs must be filed with the State Controller's Office and postmarked by November 30 following the fiscal year in which costs were incurred. If the claim is filed after the deadline but by November 30 of the succeeding fiscal year, the approved claim must be reduced by a late penalty of 10%, not to exceed \$1,000. Claims filed more than one year after the deadline will not be accepted.

6. Reimbursable Components

Eligible claimants will be reimbursed for health service costs at the level of service provided in the 1986/87 fiscal year. The reimbursement will be reduced by the amount of student health fees authorized per the Education Code § 76355.

After January 1, 1993, pursuant to Chapter 8, Statutes of 1993, the fees students were required to pay for health supervision and services were not more than:

\$10.00 per semester

\$5.00 for summer school

\$5.00 for each quarter

Beginning with the summer of 1997, the fees are:

\$11.00 per semester

\$8.00 for summer school or

\$8.00 for each quarter

The district may increase fees by the same percentage increase as the Implicit Price Deflator (IPD) for the state and local government purchase of goods and services. Whenever the IPD calculates an increase of one dollar (\$1) above the existing amount, the fees may be increased by one dollar (\$1).

7. Reimbursement Limitations

- A. If the level at which health services were provided during the fiscal year of reimbursement is less than the level of health services that were provided in the 1986/87 fiscal year, no reimbursement is forthcoming.
- B. Any offsetting savings or reimbursement the claimant received from any source (e.g. federal, state grants, foundations, etc.) as a result of this mandate, shall be identified and deducted so only net local costs are claimed.

8. Claiming Forms and Instructions

The diagram "Illustration of Claim Forms" provides a graphical presentation of forms required to be filed with a claim. A claimant may submit a computer generated report in substitution for forms HFE-1.0, HFE-1.1, and form HFE-2 provided the format of the report and data fields contained within the report are identical to the claim forms included in these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file estimated and reimbursement claims. The State Controller's Office will revise the manual and claim forms as necessary. In such instances, new replacement forms will be mailed to claimants.

A. Form HFE- 2, Health Services

This form is used to list the health services the community college provided during the 1986/87 fiscal year and the fiscal year of the reimbursement claim.

B. Form HFE-1.1, Claim Summary

This form is used to compute the allowable increased costs an individual college of the community college district has incurred to comply with the state mandate. The level of health services reported on this form must be supported by official financial records of the community college district. A copy of the document must be submitted with the claim. The amount shown on line (13) of this form is carried to form HFE-1.0.

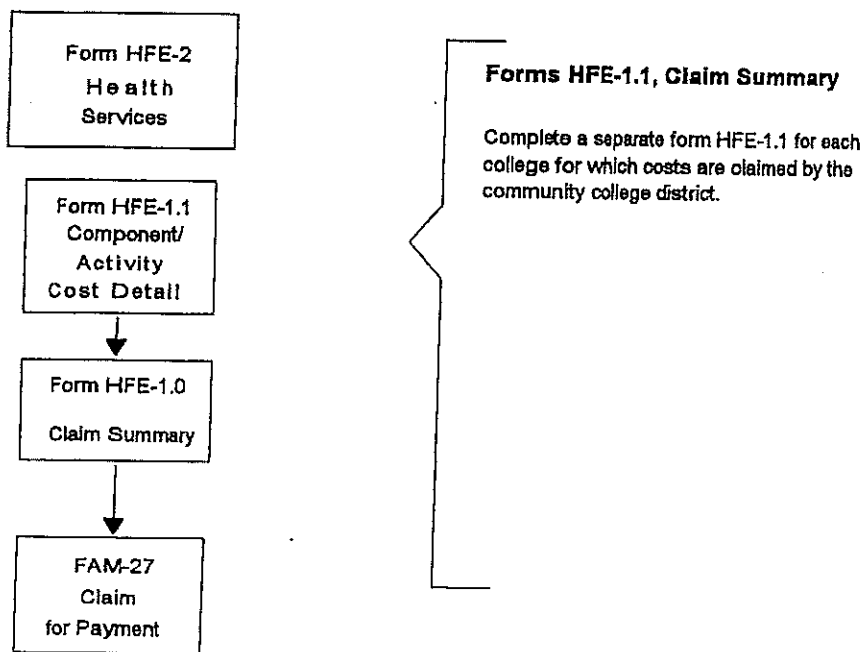
C. Form HFE-1.0, Claim Summary

This form is used to list the individual colleges that had increased costs due to the state mandate and to compute a total claimable cost for the district. The "Total Amount Claimed", line (04) on this form is carried forward to form FAM-27, line 13, for the reimbursement claim, or line (07) for the estimated claim.

D. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized representative of the local agency. All applicable information from form HFE-1.0 and HFE 1.1 must be carried forward to this form for the State Controller's Office to process the claim for payment.

Illustration of Claim Forms



CLAIM FOR PAYMENT
 Pursuant to Government Code Section 17561
HEALTH FEE ELIMINATION

For State Controller Use Only	Program
(19) Program Number 00029	029
(20) Date Filed ___/___/___	
(21) LRS Input ___/___/___	

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(01) Claimant Identification Number		Reimbursement Claim Data		
(02) Claimant Name				(22) HFE-1.0,(04)(b)
County of Location				(23)
Street Address or P.O. Box				(24)
City State Zip Code				(25)
Type of Claim	Estimated Claim	Reimbursement Claim	(26)	
	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>	(27)	
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28)	
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29)	
Fiscal Year of Cost	(06) 20___/20___	(12) 20___/20___	(30)	
Total Claimed Amount	(07)	(13)	(31)	
Less: 10% Late Penalty, not to exceed \$1,000		(14)	(32)	
Less: Prior Claim Payment Received		(15)	(33)	
Net Claimed Amount		(16)	(34)	
Due to Claimant	(08)	(17)	(35)	
Due to State		(18)	(36)	

(37) CERTIFICATION OF CLAIM
 In accordance with the provisions of Government Code § 17561, I certify that I am the officer authorized by the local agency to file claims with the State of California for costs mandated by Chapter 1, Statutes of 1984, and Chapter 1118, Statutes of 1987, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1096, inclusive.
 I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program mandated by Chapter 1, Statutes of 1984, and Chapter 1118, Statutes of 1987.
 The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs for the mandated program of Chapter 1, Statutes of 1984, and Chapter 1118, Statutes of 1987, set forth on the attached statements.

Signature of Authorized Officer	Date
_____	_____
Type or Print Name	Title
(38) Name of Contact Person for Claim	Telephone Number () - Ext.
_____	_____
_____	E-Mail Address
_____	_____

Program 029	HEALTH FEE ELIMINATION Certification Claim Form Instructions	FORM FAM-27
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- (01) Leave blank.
- (02) A set of mailing labels with the claimant's I.D. number and address was enclosed with the letter regarding the claiming instructions. The mailing labels are designed to speed processing and prevent common errors that delay payment. Affix a label in the space shown on form FAM-27. Cross out any errors and print the correct information on the label. Add any missing address items, except county of location and a person's name. If you did not receive labels, print or type your agency's mailing address.
- (03) If filing an original estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) If filing an original estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined.
- (05) If filing an amended or combined claim, enter an "X" in the box on line (05) Amended. Leave boxes (03) and (04) blank.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form HFE-1.0 and enter the amount from line (04)(b).
- (08) Enter the same amount as shown on line (07).
- (09) If filing an original reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) If filing an original reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11) If filing an amended or a combined claim on behalf of districts within the county, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of reimbursement claim from form HFE-1.0, line (04)(b).
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs are incurred or the claims shall be reduced by a late penalty. Enter either the product of multiplying line (13) by the factor 0.10 (10% penalty) or \$1,000, whichever is less.
- (15) If filing a reimbursement claim and a claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16) Net Claimed Amount is positive, enter that amount on line (17) Due from State.
- (18) If line (16) Net Claimed Amount is negative, enter that amount in line (18) Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., HFE-1.0, (04)(b), means the information is located on form HFE-1.0, line (04), column (b). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. Completion of this data block will expedite the payment process.
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. Claims cannot be paid unless accompanied by a signed certification.
- (38) Enter the name, telephone number, and e-mail address of the person whom this office should contact if additional information is required.

SUBMIT A SIGNED, ORIGINAL FORM FAM-27 WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS (NO COPIES NECESSARY) TO:

Address, if delivered by U.S. Postal Service:

OFFICE OF THE STATE CONTROLLER
 ATTN: Local Reimbursements Section
 Division of Accounting and Reporting
 P.O. Box 942850
 Sacramento, CA 94250

Address, if delivered by other delivery service:

OFFICE OF THE STATE CONTROLLER
 ATTN: Local Reimbursements Section
 Division of Accounting and Reporting
 3301 C Street, Suite 500
 Sacramento, CA 95816

MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY		FORM HFE-1.0
(01) Claimant	(02) Type of Claim Reimbursement <input type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 19__/19__
(03) List all the colleges of the community college district identified in form HFE-1.1, line (03)		
(a) Name of College	(b) Claimed Amount	
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
21.		
(04) Total Amount Claimed	[Line (3.1b) + line (3.2b) + line (3.3b) + ...line (3.21b)]	

<p>HEALTH FEE ELIMINATION CLAIM SUMMARY Instructions</p>	<p>FORM HFE-1.0</p>
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(01) Enter the name of the claimant. Only a community college district may file a claim with the State Controller's Office on behalf of its colleges.

(02) Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year for which the expenses were/are to be incurred. A separate claim must be filed for each fiscal year.

Form HFE-1.0 must be filed for a reimbursement claim. Do not complete form HFE-1.0 if you are filing an estimated claim and the estimate is not more than 110% of the previous fiscal year's actual costs. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, forms HFE-1.0 and HFE-1.1 must be completed and a statement attached explaining the increased costs. Without this information the high estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.

(03) List all the colleges of the community college district which have increased costs. A separate form HFE-1.1 must be completed for each college showing how costs were derived.

(04) Enter the total claimed amount of all colleges by adding the Claimed Amount, line (3.1b) + line (3.2b) ...+ (3.21b).

MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.1
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(01) Claimant	(02) Type of Claim	Fiscal Year
	Reimbursement <input type="checkbox"/> Estimated <input type="checkbox"/>	19__/19__

(03) Name of College

(04) Indicate with a check mark, the level at which health services were provided during the fiscal year of reimbursement in comparison to the 1986/87 fiscal year. If the "Less" box is checked, STOP, do not complete the form. No reimbursement is allowed.

LESS SAME MORE

	Direct Cost	Indirect Cost	Total
(05) Cost of health services for the fiscal year of claim			
(06) Cost of providing current fiscal year health services which are in excess of the level provided in 1986/87			
(07) Cost of providing current fiscal year health services at the 1986/87 level [Line (05) - line (06)]			

(08) Complete columns (a) through (g) to provide detail data for health fees

Period for which health fees were collected	(a) Number of Full-time Students	(b) Number of Part-time Students	(c) Unit Cost for Full-time Student per Educ. Code § 76355	(d) Full-time Student Health Fees (a) x (c)	(e) Unit Cost for Part-time Student per Educ. Code § 76355	(f) Part-time Student Health Fees (b) x (e)	(g) Student Health Fees That Could Have Been Collected (d) + (f)
1. Per fall semester							
2. Per spring semester							
3. Per summer session							
4. Per first quarter							
5. Per second quarter							
6. Per third quarter							

(09) Total health fee that could have been collected [Line (8.1g) + (8.2g) +(8.6g)]

(10) Sub-total [Line (07) - line (09)]

Cost Reduction

(11) Less: Offsetting Savings, if applicable

(12) Less: Other Reimbursements, if applicable

(13) Total Amount Claimed [Line (10) - (line (11) + line (12))]

<p>HEALTH FEE ELIMINATION CLAIM SUMMARY Instructions</p>	<p>FORM HFE-1.1</p>
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- (01) Enter the name of the claimant. Only a community college district may file a claim with the State Controller's Office on behalf of its colleges.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.

Form HFE-1.1 must be filed for a reimbursement claim. If you are filing an estimated claim and the estimate does not exceed the previous year's actual costs by 10%, do not complete form HFE-1.1. Simply enter the amount of the estimated claim on form FAM-27, line (05), Estimated. However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form HFE-1.1 must be completed and a statement attached explaining the increased costs. Without this information the high estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Enter the name of the college or community college district that provided student health services in the 1986/87 fiscal year and continue to provide the same services during the fiscal year of the claim.
- (04) Compare the level of health services provided during the fiscal year of reimbursement to the 1986/87 fiscal year and indicate the result by marking a check in the appropriate box. If the "Less" box is checked, STOP and do not complete the remaining part of this claim form. No reimbursement is forthcoming.
- (05) Enter the direct cost, indirect cost, and total cost of health services for the fiscal year of claim on line (05). Direct cost of health services is identified on the college expenditures report (individual college's cost of health services as authorized under Education Code § 76355 and included in the district's Community College Annual Financial and Budget Report CCFS-311, EDP Code 6440, column 5). **If the amount of direct costs claimed is different than shown on the expenditures report, provide a schedule listing those community college costs that are in addition to, or a reduction to expenditures shown on the report.** For claiming indirect costs, college districts have the option of using a federally approved rate (i.e., utilizing the cost accounting principles from the Office of Management and Budget Circular A-21), or the State Controller's methodology outlined in "Filing a Claim" of the Mandated Cost Manual for Schools.
- (06) Enter the direct cost, indirect cost, and total cost of health services that are in excess of the level provided in the 1986/87 fiscal year.
- (07) Enter the difference of the cost of health services for the fiscal year of claim, line (05), and the cost of providing current fiscal year health services that is in excess of the level provided in the 1986/87 fiscal year, line (06).
- (08) Complete columns (a) through (g) to provide details on the amount of health service fees that could have been collected. **Do not include students who are exempt from paying health fees established by the Board of Governors and contained in Section 58620 of Title 5 of the California Code of Regulations.** After 01/01/93, the student fees for health supervision and services were \$10.00 per semester, \$5.00 for summer school, and \$5.00 for each quarter. Beginning with the summer of 1997, the health service fees are: \$11.00 per semester and \$8.00 for summer school, or \$8.00 for each quarter.
- (09) Enter the sum of Student Health Fees That Could Have Been Collected, (other than from students who were exempt from paying health fees) [Line (8.1g) + line (8.2g) + line (8.3g) + line (8.4g) + line (8.5g) + line (8.6g)].
- (10) Enter the difference of the cost of providing health services at the 1986/87 level, line (07) and the total health fee that could have been collected, line (09). If line (09) is greater than line (07), no claim shall be filed.
- (11) Enter the total savings experienced by the school identified in line (03) as a direct cost of this mandate. Submit a schedule of detailed savings with the claim.
- (12) Enter the total other reimbursements received from any source, (i.e., federal, other state programs, etc.,). Submit a schedule of detailed reimbursements with the claim.
- (13) Subtract the sum of Offsetting Savings, line (11), and Other Reimbursements, line (12), from Total 1986/87 Health Service Cost excluding Student Health Fees.

MANDATED COSTS HEALTH ELIMINATION FEE HEALTH SERVICES		FORM HFE-2	
(01) Claimant:		(02) Fiscal Year costs were incurred:	
(03) Place an "X" in columns (a) and/or (b), as applicable, to indicate which health services were provided by student health service fees for the indicated fiscal years.		(a) FY 1986/87	(b) FY of Claim
Accident Reports			
Appointments College Physician, surgeon Dermatology, family practice Internal Medicine Outside Physician Dental Services Outside Labs, (X-ray, etc.) Psychologist, full services Cancel/Change Appointments Registered Nurse Check Appointments			
Assessment, Intervention and Counseling Birth Control Lab Reports Nutrition Test Results, office Venereal Disease Communicable Disease Upper Respiratory Infection Eyes, Nose and Throat Eye/Vision Dermatology/Allergy Gynecology/Pregnancy Service Neuralgic Orthopedic Genito/Urinary Dental Gastro-Intestinal Stress Counseling Crisis intervention Child Abuse Reporting and Counseling Substance Abuse Identification and Counseling Acquired Immune Deficiency Syndrome Eating Disorders Weight Control Personal Hygiene Burnout Other Medical Problems, list			
Examinations, minor illnesses Recheck Minor Injury			
Health Talks or Fairs, Information Sexually Transmitted Disease Drugs Acquired Immune Deficiency Syndrome			

MANDATED COSTS HEALTH ELIMINATION FEE HEALTH SERVICES	FORM HFE-2
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(01) Claimant:	(02) Fiscal Year costs were incurred:
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(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health services were provided by student health service fees for the indicated fiscal years.	(a) FY 1986/87	(b) FY of Claim
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Child Abuse Birth Control/Family Planning Stop Smoking Library, Videos and Cassettes First Aid, Major Emergencies First Aid, Minor Emergencies First Aid Kits, Filled Immunizations Diphtheria/Tetanus Measles/Rubella Influenza Information Insurance On Campus Accident Voluntary Insurance Inquiry/Claim Administration Laboratory Tests Done Inquiry/Interpretation Pap Smears Physical Examinations Employees Students Athletes Medications Antacids Antidiarrheal Aspirin, Tylenol, Etc Skin Rash Preparations Eye Drops Ear Drops Toothache, oil cloves Stingkill Midol, Menstrual Cramps Other, list Parking Cards/Elevator Keys Tokens Return Card/Key Parking Inquiry Elevator Passes Temporary Handicapped Parking Permits		
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MANDATED COSTS HEALTH ELIMINATION FEE HEALTH SERVICES		FORM HFE-2	
(01) Claimant:		(02) Fiscal Year costs were incurred:	
(03) Place an "X" in columns (a) and/or (b), as applicable, to indicate which health services were provided by student health service fees for the indicated fiscal years.		(a) FY 1986/87	(b) FY of Claim
Referrals to Outside Agencies Private Medical Doctor Health Department Clinic Dental Counseling Centers Crisis Centers Transitional Living Facilities, battered/homeless women Family Planning Facilities Other Health Agencies Tests Blood Pressure Hearing Tuberculosis Reading Information Vision Glucometer Urinalysis Hemoglobin EKG Strep A testing PG Testing Monospot Hemacult Others, list Miscellaneous Absence Excuses/PE Waiver Allergy Injections Band-aids Booklets/Pamphlets Dressing Change Rest Suture Removal Temperature Weigh Information Report/Form Wart Removal Others, list Committees Safety Environmental Disaster Planning			

PASADENA AREA COMMUNITY COLLEGE DISTRICT

Audit Report

HEALTH FEE ELIMINATION PROGRAM

Chapter 1, Statutes of 1984, 2nd Extraordinary Session
and Chapter 1118, Statutes of 1987

July 1, 2002, through June 30, 2004



STEVE WESTLY
California State Controller

June 2006



STEVE WESTLY
California State Controller

June 30, 2006

John P. Korsler, Ed.D.
Superintendent/President
Pasadena Area Community College District
1570 East Colorado Boulevard
Pasadena, CA 91106

Dear Dr. Korsler:

The State Controller's Office audited the costs claimed by the Pasadena Area Community College District for the legislatively mandated Health Fee Elimination Program (Chapter 1, Statutes of 1984, 2nd Extraordinary Session and Chapter 1118, Statutes of 1987) for the period of July 1, 2002, through June 30, 2004.

The district claimed \$388,001 for the mandated program. Our audit disclosed that \$195,246 is allowable and \$192,755 is unallowable. The unallowable costs occurred because the district claimed costs funded by federal moneys, claimed costs that did not meet eligibility requirements, and understated applicable offsetting revenue. The State will pay allowable costs claimed that exceed the amount paid, totaling \$195,246, contingent upon available appropriations.

If you have any questions, please contact Jim L. Spano, Chief, Compliance Audits Bureau, at (916) 323-5849.

Sincerely,

Original Signed By:

JEFFREY V. BROWNFIELD
Chief, Division of Audits

JVB/vb:ams

cc: Odessa Walker
Director, Fiscal Services
Pasadena Area Community College District
Marty Rubio, Specialist
Fiscal Accountability Section
California Community Colleges Chancellor's Office
Jeannie Oropeza, Program Budget Manager
Education Systems Unit
Department of Finance

Contents

Audit Report

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Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by the Pasadena Area Community College District for the legislatively mandated Health Fee Elimination Program (Chapter 1, Statutes of 1984, 2nd Extraordinary Session and Chapter 1118, Statutes of 1987) for the period of July 1, 2002, through June 30, 2004. The last day of fieldwork was January 10, 2006.

The district claimed \$388,001 for the mandated program. Our audit disclosed that \$198,246 is allowable and \$192,755 is unallowable. The unallowable costs occurred because the district claimed costs funded by federal moneys, claimed costs that did not meet eligibility requirements, and understated applicable offsetting revenue. The State will pay allowable costs claimed that exceed the amount paid, totaling \$195,246, contingent upon available appropriations.

Background

Chapter 1, Statutes of 1984, 2nd Extraordinary Session (E.S.) repealed *Education Code* Section 72246, which authorized community college districts to charge a health fee for providing health supervision and services, providing medical and hospitalization services, and operating student health centers. This statute also required that health services for which a community college district charged a fee during fiscal year (FY) 1983-84 had to be maintained at that level in FY 1984-85 and every year thereafter. The provisions of this statute would automatically sunset on December 31, 1987, reinstating the community college districts' authority to charge a health service fee as specified.

Chapter 1118, Statutes of 1987, amended *Education Code* Section 72246 (subsequently renumbered as Section 76355 by Chapter 8, Statutes of 1993). The law requires any community college district that provided health services in FY 1986-87 to maintain health services at the level provided during that year in FY 1987-88 and each fiscal year thereafter.

On November 20, 1986, the Commission on State Mandates (COSM) determined that Chapter 1, Statutes of 1984, 2nd Extraordinary Session imposed a "new program" upon community college districts by requiring specified community college districts that provided health services in FY 1983-84 to maintain health services at the level provided during that year in FY 1984-85 and each fiscal year thereafter. This maintenance-of-effort requirement applied to all community college districts that levied a health service fee in FY 1983-84.

On April 27, 1989, the COSM determined that Chapter 1118, Statutes of 1987, amended this maintenance-of-effort requirement to apply to all community college districts that provided health services in FY 1986-87, requiring them to maintain that level in FY 1987-88 and each fiscal year thereafter.

Parameters and Guidelines establishes the state mandate and defines reimbursement criteria. The COSM adopted *Parameters and Guidelines* on August 27, 1987, and amended it on May 25, 1989. In compliance with *Government Code* Section 17558, the SCO issues claiming instructions for mandated programs to assist school districts in claiming reimbursable costs.

Objective, Scope, and Methodology

We conducted the audit to determine whether costs claimed represent increased costs resulting from the Health Fee Elimination Program for the period of July 1, 2002, through June 30, 2004.

Our audit scope included, but was not limited to, determining whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.

We conducted the audit according to *Government Auditing Standards*, issued by the Comptroller General of the United States, and under the authority of *Government Code* Sections 12410, 17558.5, and 17561. We did not audit the district's financial statements. We limited our audit scope to planning and performing audit procedures necessary to obtain reasonable assurance that costs claimed were allowable for reimbursement. Accordingly, we examined transactions, on a test basis, to determine whether the costs claimed were supported.

We limited our review of the district's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures.

We asked the district's representative to submit a written representation letter regarding the district's accounting procedures, financial records, and mandated cost claiming procedures as recommended by *Government Auditing Standards*. However, the district declined our request.

Conclusion

Our audit disclosed instances of noncompliance with the requirements outlined above. These instances are described in the accompanying Summary of Program Costs (Schedule 1) and in the Findings and Recommendations section of this report.

For the audit period, the Pasadena Community College District claimed \$388,001 for costs of the Health Fee Elimination Program. Our audit disclosed that \$195,246 is allowable and \$192,755 is unallowable.

For FY 2002-03, the State made no payment to the district. Our audit disclosed that \$120,605 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling \$120,605, contingent upon available appropriations.

For FY 2003-04, the State made no payment to the district. Our audit disclosed that \$74,641 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling \$74,641, contingent upon available appropriations.

**Views of
Responsible
Officials**

We issued a draft audit report on May 5, 2006. We contacted Odessa Walker, Director, Fiscal Services, by telephone on June 13, 2006. Ms. Walker agreed with the findings, and stated that the district declined to submit a written response.

Restricted Use

This report is solely for the information and use of the Pasadena Area Community College District, the California Community Colleges Chancellor's Office, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Original Signed By:

JEFFREY V. BROWNFIELD
Chief, Division of Audits

**Schedule 1—
Summary of Program Costs
July 1, 2002, through June 30, 2004**

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment	Reference ¹
<u>July 1, 2002, through June 30, 2003</u>				
Health services costs:				
Salaries and benefits	\$ 506,488	\$ 506,488	\$ —	
Services and supplies	62,071	51,965	(10,106)	Finding 2
Indirect costs	151,946	151,946	—	
Total health services costs	720,505	710,399	(10,106)	
Authorized health fees	(485,844)	(558,087)	(72,243)	Finding 4
Subtotals	234,661	152,312	(82,349)	
Offsetting savings/reimbursements	(31,707)	(31,707)	—	
Total	<u>\$ 202,954</u>	<u>120,605</u>	<u>\$ (82,349)</u>	
Amount paid by the State		—		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 120,605</u>		
<u>July 1, 2003, through June 30, 2004</u>				
Health services costs:				
Salaries and benefits	\$ 480,056	\$ 474,682	\$ (5,374)	Finding 1
Services and supplies	40,967	40,967	—	
Indirect costs	160,339	142,405	(17,934)	Findings 1, 3
Total health services costs	681,362	658,054	(23,308)	
Authorized health fees	(496,315)	(583,413)	(87,098)	Finding 4
Total	<u>\$ 185,047</u>	<u>74,641</u>	<u>\$ (110,406)</u>	
Amount paid by the State		—		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 74,641</u>		
<u>Summary: July 1, 2002, through June 30, 2004</u>				
Health services costs:				
Salaries and benefits	\$ 986,544	\$ 981,170	\$ (5,374)	Finding 1
Services and supplies	103,038	92,932	(10,106)	Finding 2
Indirect costs	312,285	294,351	(17,934)	Findings 1, 3
Total health services costs	1,401,867	1,368,453	(33,414)	
Authorized health fees	(982,159)	(1,141,500)	(159,341)	Finding 4
Subtotal	419,708	226,953	(192,755)	
Offsetting savings/reimbursements	(31,707)	(31,707)	—	
Total	<u>\$ 388,001</u>	<u>195,246</u>	<u>\$ (192,755)</u>	
Amount paid by the State		—		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 195,246</u>		

¹ See the Findings and Recommendations section.

Findings and Recommendations

**FINDING 1—
Unallowable salaries
and benefits, and
related indirect costs**

The district claimed unallowable salary and benefit costs totaling \$5,374. The related indirect cost is \$1,795.

The unallowable costs relate to student workers' salaries and benefits funded by the federal work-study program.

Parameters and Guidelines specifies that community college districts shall be reimbursed only for costs of health services programs that are traceable to supporting documentation showing evidence of the validity of such costs.

Recommendation

We recommend that the district ensure that it claims only costs for health services reimbursable under the mandate program.

District's Response

The district agreed with the finding.

**FINDING 2—
Unallowable athletic
insurance costs**

For fiscal year (FY) 2002-03, the district claimed unallowable athletic insurance costs totaling \$10,106. The error occurred because the district's staff believed these costs were eligible for reimbursement.

Parameters and Guidelines states that community college districts will be reimbursed for the costs of providing a health service program. *Education Code* Section 76355(d) (formerly Section 72246(2)) states that authorized expenditures for health services shall not include the cost of athletic insurance.

Recommendation

We recommend that the district ensure that all claimed costs are allowable and supported.

District's Response

The district agreed with the finding.

**FINDING 3—
Overstated indirect
costs**

For FY 2003-04, the district overstated indirect costs by \$16,139.

The district claimed indirect costs based on a federally approved rate of 33.4%; however, the correct federally approved rate for FY 2003-04 was 30%. The 33.4% indirect cost rate was approved for use during the period of July 1, 2004, through June 30, 2006, which is subsequent to the audit period. We applied the difference of 3.4% to the allowable salaries and benefits for FY 2003-04 to compute the adjustment.

A summary of the adjustment is as follows.

	Fiscal Year 2002-03
Allowable salaries and benefits	\$ 474,682
Indirect cost rate variance	× 3.4%
Audit adjustment	<u>\$ 16,139</u>

Parameters and Guidelines states that indirect costs may be claimed in the manner described in the SCO claiming instructions. The claiming instructions require that districts obtain federal approval of indirect cost rate proposals prepared according to Office of Management and Budget (OMB) Circular A-21.

Recommendation

We recommend that the district ensure that all claimed costs are allowable and supported.

District's Response

The district agreed with the finding.

**FINDING 4—
Understated
authorized health fee
revenues claimed**

The district understated authorized health fee revenue by \$159,341 for the audit period.

For the audit period, the district reported the actual health fees collected from the students, instead of the authorized health fee revenues. We recalculated the authorized health fee revenues by multiplying student enrollment by semester, net of allowable health fee exemptions, by the authorized student health fee. We obtained student enrollment information from the chancellor's office and the student fee waiver information from the district's list of Board of Governors Grant (BOGG) students.

The understated authorized health fee revenues are calculated as follows.

	Fall	Winter	Spring	Summer	Total
FY 2002-03:					
Student enrollment	26,109	—	28,975	17,146	
Allowable health fee exceptions	<u>(9,045)</u>	<u>—</u>	<u>(9,101)</u>	<u>(4,387)</u>	
Subtotal	17,064	—	19,874	12,759	
Authorized student health fee	<u>\$ (12)</u>	<u>\$ —</u>	<u>\$ (12)</u>	<u>\$ (9)</u>	
Audited authorized health fee revenues	<u>\$(204,768)</u>	<u>\$ —</u>	<u>\$(238,488)</u>	<u>\$(114,831)</u>	\$(558,087)
Claimed authorized health fee revenues					<u>485,844</u>
Audit adjustment, FY 2002-03					<u>(72,243)</u>
FY 2003-04:					
Student enrollment	29,579	10,958	28,235	12,690	
Allowable health fee exceptions	<u>(10,256)</u>	<u>(5,310)</u>	<u>(10,209)</u>	<u>(3,313)</u>	
Subtotals	19,323	5,648	18,026	9,377	
Authorized student health fee	<u>\$ (12)</u>	<u>\$ (9)</u>	<u>\$ (12)</u>	<u>\$ (9)</u>	
Audited authorized health fee revenues	<u>\$(231,876)</u>	<u>\$(50,832)</u>	<u>\$(216,312)</u>	<u>\$(84,393)</u>	\$(583,413)
Claimed authorized health fee revenues					<u>496,315</u>
Audit adjustment, FY 2002-03					<u>(87,098)</u>
Total audit adjustment					<u>\$(159,341)</u>

Parameters and Guidelines states that health fees authorized by *Education Code* must be deducted from costs claimed. *Education Code* Section 76355(c) states that health fees are authorized from all student except those students who: (1) depend exclusively on prayer for healing; (2) are attending a community college under an approved apprenticeship training program; or (3) demonstrate financial need.

Also, *Government Code* Section 17514 states that costs mandated by the State are any increased costs that a district is required to incur. To the extent community college districts can charge a fee, they are not required to incur a cost. In addition, *Government Code* Section 17556 states that the COSM shall not find costs mandated by the State if the district has the authority to levy fees to pay for the mandated program or increased level of services.

Recommendation

We recommend that the district ensure that allowable health services program costs are offset by the amount of health service fee revenue authorized by the *Education Code*.

District's Response

The district agreed with the finding.

**State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, California 94250-5874**

<http://www.sco.ca.gov>

ORIGINAL

State Controller's Office

Community College Mandated Cost Manual

CLAIM FOR PAYMENT
Pursuant to Government Code Section 17561
HEALTH FEE ELIMINATION

For State Controller Use Only
(19) Program Number 00234
(20) Date Filed 01-15-04
(21) LRS Input
Program 234

(01) Claimant Identification Number S19335 <i>CC19335</i>		Reimbursement Claim Data	
(02) Claimant Name Pasadena Area CCD		(22) HFE-1.0,(04)(b)	202,954
County of Location Los Angeles		(23)	
Street Address or P.O. Box 1570 East Colorado Blvd.		(24)	
City State Zip Code Pasadena CA 91106		(25)	
Type of Claim	Estimated Claim	Reimbursement Claim	(26)
	(03) Estimated <input checked="" type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(27)
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28)
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29)
Fiscal Year of Cost	(06) 2003-2004	(12) 2002-2003	(30)
Total Claimed Amount	(07) \$200,000	(13) \$202,954	(31)
LESS: 10% Late Penalty, not to exceed \$1000	(14)	(14) <82,349>	(32) <i>Wifary</i>
LESS: Prior Claim Payment Received	(15)	(15)	(33) 9846
Net Claimed Amount	(16)	(16) 120605 202,954	(34)
Due from State	(08) \$200,000	(17) 120605 202,954	(35)
Due to State	(18)	(18)	(36)

(37) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the community college district to file claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 through 1098, inclusive.

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer
Peter Hardash
Peter Hardash

Date
1/7/04
Vice President, Administrative Services

Type or Print Name
(38) Name of Contact Person for Claim
James L. Robbins (MAXIMUS)

Title
(949) 440-0845, Ext. 103
Telephone Number
JamesRobbins@maximus.com
E-Mail Address

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.0
-----------------------	--	-------------------------

(01) Claimant: Pasadena Area CCD	(02) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2002-2003
----------------------------------	---	--------------------------

(03) List all the colleges of the community college district identified in form HFE-1.1, line (03)

	(a) Name of College	(b) Claimed Amount
1.	Pasadena Area CCD	\$202,954
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
21.		
(04) Total Amount Claimed [Line (3.1b) + line (3.2b) + line (3.3b) + ...line (3.21b)]		\$202,954

Program <div style="font-size: 2em; font-weight: bold; text-align: center;">234</div>	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.1
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(01) Claimant: Pasadena Area CCD	(2) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2002-2003
---	---	---------------------------------

(3) Name of College

(04) Indicate with a check mark, the level at which health services were provided during the fiscal year of reimbursement in comparison to the 1986/87 fiscal year. If the 'Less' box is checked, STOP, do not complete the form. No reimbursement is allowed.

LESS SAME MORE

	Direct Cost	Indirect Cost	Total
(05) Cost of health services for the fiscal year of claim	\$568,559	\$151,946	\$720,505
(06) Cost of providing current fiscal year health services which are in excess of the level provided in 1986/87			
(07) Cost of providing current fiscal year health services at the 1986/87 level [Line (05) - line (06)]	\$568,559	\$151,946	\$720,505

(08) Complete columns (a) through (g) to provide detail data for health fees

Period for which health fees were collected	(a) Number of Full-time Students	(b) Number of Part-Time Students	(c) Unit Cost for Full-Time Student per Educ. Code 76355	(d) Full-time Student Health Fees (a) x (c)	(e) Unit Cost for Part-time student per Educ. Code 76355	(f) Part-time Student Health Fees (b) x (e)	(g) Student Health Fees That Could Have Been Collected (d) + (f)
1. Per fall semester	8,391	8,457	\$12	\$100,692	\$12	\$101,484	\$202,176
2. Per spring semester	8,239	7,588	\$12	\$98,868	\$12	\$91,056	\$189,924
3. Per summer session	5,507	4,909	\$9	\$49,563	\$9	\$44,181	\$93,744
4. Per first quarter							
5. Per second quarter							
6. Per third quarter							

(09) Total health fee that could have been collected [Line (8.1g) + (8.2g) +(8.6g)]	\$485,844
(10) Sub-total [Line (07) - line (09)]	\$234,661

Cost Reduction

(11) Less: Offsetting Savings, if applicable	\$31,707
(12) Less: Other Reimbursements, if applicable	
(13) Total Amount Claimed [Line (10) - {(line (11) + line (12))}]	\$202,954

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES	FORM HFE-2
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(01) Claimant: Pasadena Area CCD	(02) Fiscal Year Costs Were Incurred	2002-2003
----------------------------------	--------------------------------------	-----------

(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim
Accident Reports	X	X
Appointments		
College Physician, surgeon	X	X
Dermatology, Family practice	X	X
Internal Medicine	X	X
Outside Physician		
Dental Services		
Outside Labs, (X-ray, etc.,)		
Psychologist, full service	X	X
Cancel/Change Appointment	X	X
Registered Nurse		
Check Appointments	X	X
Assessment, Intervention and Counseling		
Birth Control	X	X
Lab Reports	X	X
Nutrition	X	X
Test Results, office	X	X
Venereal Disease	X	X
Communicable Disease	X	X
Upper Respiratory Infection	X	X
Eyes, Nose and Throat	X	X
Eye/Vision	X	X
Dermatology/Allergy	X	X
Gynecology/Pregnancy Service	X	X
Neuralgic	X	X
Orthopedic	X	X
Genito/Urinary		
Dental		
Gastro-intestinal	X	X
Stress Counseling	X	X
Crisis Intervention	X	X
Child Abuse Reporting and Counseling	X	X
Substance Abuse Identification and Counseling		
Acquired Immune Deficiency Syndrome		
Eating Disorders		
Weight Control	X	X
Personal Hygiene	X	X
Burnout	X	X
Other Medical Problems, list	X	X
Examinations, minor illnesses		
Recheck Minor Injury	X	X
Health Talks or Fairs, Information		
Sexually Transmitted Disease	X	X
Drugs	X	X
Acquired Immune Deficiency Syndrome	X	X
Child Abuse	X	X

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES	FORM HFE-2
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(01) Claimant: Pasadena Area CCD	(02) Fiscal Year Costs Were Incurred	2002-2003
----------------------------------	--------------------------------------	-----------

(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim
Birth Control/Family Planning	X	X
Stop Smoking	X	X
Library, Videos and Cassettes		
First Aid, Major Emergencies	X	X
First Aid, Minor Emergencies		
First Aid Kits, Filled	X	X
Immunizations	X	X
Diphtheria/Tetanus		
Measles/Rubella		
Influenza	X	X
Infomation	X	X
Insurance	X	X
On Campus Accident		
Voluntary	X	X
Insurance Inquiry/Claim Administration	X	X
Laboratory Tests Done		
Inquiry/Interpretation		
Pap Smears	X	X
Physical Examinations		
Employees	X	X
Students		
Athletes		
Medications		
Anatacids		
Antidiarrheal	X	X
Aspirin, Tylenol, etc.,	X	X
Skin Rash Preparations	X	X
Eye Drops	X	X
Ear Drops	X	X
Toothache, oil cloves	X	X
Stingkill		
Midol, Menstrual Cramps		
Other, list	X	X
Parking Cards/Elevator Keys		
Tokens		
Return Card/Key		
Parking Inquiry		
Elevator Passes		
Temporary Handicapped Parking Permits		

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES		FORM HFE-2
(01) Claimant: Pasadena Area CCD	(02) Fiscal Year Costs Were Incurred		2002-2003
(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim	
Referrals to Outside Agencies Private Medical Doctor Health Department Clinic Dental Counseling Centers Crisis Centers Transitional Living Facilities, battered/homeless women Family Planning Facilities Other Health Agencies	X X X X X X X X X X	X X X X X X X X X	
Tests Blood Pressure Hearing Tuberculosis Reading Information Vision Glucometer Urinalysis Hemoglobin EKG Strep A Testing PG Testing Monospot Hemacult Others, list	X X X X X X X X X X X X X X X	X X X X X X X X X X X X	
Miscellaneous Absence Excuses/PE Waiver Allergy Injections Band-aids Booklets/Pamphlets Dressing Change Rest Suture Removal Temperature Weigh Information Report/Form Wart Removal Others, list	X X X X X X X X X X X X	X X X X X X X X X X	
Committees Safety Environmental Disaster Planning Skin Rash Preparations Eye Drops	X X X X X	X X X X X	

OMB Circular A-21
Indirect Cost Proposal - Simplified Format
Rate Computation

Pasadena Area Community College District
Fiscal Year 2002-2003

Expenditures per CCRS-311	Direct and Unallowable Costs				Indirect Costs			
	Salaries & Wages	Operating Expense	Capital Outlay	Other Outlay	Salaries & Wages	Operating Expense	Capital Outlay	Other Outlay
Instructional	\$ 52,294,278	\$ 2,093,276	\$ 775,550	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional Aids	\$ 7,204,910	\$ 646,158	\$ 119,385	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional Support Services	\$ 3,219,585	\$ 326,645	\$ 196,992	\$ -	\$ -	\$ -	\$ -	\$ -
Admissions and Records	\$ 1,262,762	\$ 108,718	\$ 11,530	\$ -	\$ -	\$ -	\$ -	\$ -
Counseling and Guidance	\$ 4,025,978	\$ 287,308	\$ 47,448	\$ -	\$ -	\$ -	\$ -	\$ -
Other Student Services	\$ 5,110,969	\$ 419,721	\$ 51,743	\$ 335,930	\$ -	\$ -	\$ -	\$ -
Operations and Maintenance	\$ 5,192,209	\$ 3,260,749	\$ 17,061	\$ -	\$ -	\$ -	\$ -	\$ -
Planning and Policy Making	\$ 1,332,958	\$ 476,040	\$ 17,061	\$ -	\$ -	\$ -	\$ -	\$ -
General Institute Services	\$ 8,579,747	\$ 2,599,938	\$ 401,264	\$ -	\$ -	\$ -	\$ -	\$ -
Community Services	\$ 1,082,199	\$ 449,576	\$ 23,745	\$ -	\$ -	\$ -	\$ -	\$ -
Auxiliary Services	\$ 168,988	\$ 570,084	\$ 8,353	\$ -	\$ -	\$ -	\$ -	\$ -
Auxiliary Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property and Acquisitions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use Allowances/Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use Allowances/Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS	\$ 90,110,418	\$ 12,058,500	\$ 1,848,284	\$ 2,400,000	\$ 106,417,211	\$ 17,854,134	\$ 6,698,231	\$ 2,400,000

Use Allowances/Building
Use Allowances/Equipment

Notes-Adjustments

- a) Excluded Instructional Costs--Direct Cost
- b) Excluded Course Curriculum Development--Direct
- c) Excluded Learning Center, Media and Museums/Galleries as direct/unallowable costs
- d) Excluded Admissions and Records--Direct
- e) Excluded Counseling and Guidance as a direct cost
- f) Excluded Other Student Services as a direct cost
- g) Excluded Community Relations--Unallowable
- h) Excluded Community Services--Direct
- i) Excluded Auxiliary Operations--Direct
- j) Excluded Auxiliary Services--Direct
- k) Excluded Property and Acquisitions--Unallowable

INDIRECT COST RATE COMPUTATION

Indirect Costs	
--- Salaries & Wages	\$ 17,854,134
--- Operating Exp	\$ 6,698,231
--- Capital Outlay	\$ -
--- Other Outlay	\$ 2,400,000
Total Indirect Costs	\$ 26,952,394
Direct Salaries and Wages	\$ 72,256,284
Indirect Cost Rate	\$ 26,952,394 / \$ 72,256,284
	37.30%

Cell: G13

Comment: James L. Robbins:
Instructional Administration
Salaries and wages (B13), minus 20% of academic Administration, minus course curriculum Development

Cell: I13

Comment: James L. Robbins:
Instructional Administration
Total Operating Expense (C13), minus 20% of Academic Administration, minus Course Curriculum Development

Cell: G14

Comment: James L. Robbins:
Instructional Support
Total Salaries and Wages (B14), minus Library

Cell: I14

Comment: James L. Robbins:
Instructional Support
Total Operating Expense (C14), minus Library

Cell: G20

Comment: James L. Robbins:
General Institute Services
Salaries for Community Relations

Cell: I20

Comment: James L. Robbins:
General Institute Services
Operating Expenses for Community Relations

CALIFORNIA COMMUNITY COLLEGES
Annual Financial and Budget Report

Expenditures by Activity
S10 General Fund - Combined
(Total Unrestricted and Restricted)

SUPPLEMENTAL DATA
For Actual Year: 2002-03

S10 GENERAL FUND - COMBINED

Activity Classification	State Use Only (EDP)	SALARIES and BENEFITS		Operating Expenses (4000 - 5000) (3)	Capital Outlay (6000) (4)	Other Outgo (7000) (5)	Total (1000 - 7000) (6)
		Instructional* (1)	Noninstructional** (2)				
Agriculture and Natural Resources	0100						
Architecture and Environmental Design	0200	337,600	12,641	613			350,854
Biological Sciences	0400	1,799,552	232,966	102,772	61,662		2,196,952
Business and Management	0500	3,441,795	166,467	101,898	145,429		3,855,589
Communications	0600	947,218	8,177	44,059	89,947		1,089,401
Computer and Information Science	0700	1,500,519	85,259	37,311	60,023		1,683,112
Education	0800	2,781,364	311,050	274,211	9,910		3,376,535
Engineering and Related Industrial Tech.	0900	2,362,021	544,252	318,614	110,895		3,335,782
Fine and Applied Arts	1000	5,427,106	612,455	341,594	79,588		6,460,743
Foreign Language	1100	2,395,904	57,544	37,246	1,381		2,492,075
Health	1200	3,346,790	272,067	227,262	66,041		3,912,160
Consumer Education and Home Economics	1300						
Law	1400						
Humanities (Letters)	1500	6,976,974	321,189	88,384	4,793		7,391,340
Library Science	1600	46,156					46,156
Mathematics	1700	3,804,896	142,931	73,904	83,864		4,105,595
Military Studies	1800						
Physical Sciences	1900	2,277,376	325,213	87,370	8,777		2,698,736
Psychology	2000	1,303,266	57,483	8,697	549		1,369,995
Public Affairs and Services	2100	676,393		51,801			728,194
Social Sciences	2200	3,285,254	118,421	54,326	19,161		3,477,162
Commercial Services	3000	601,371	108,056	56,504	5,855		771,786
Interdisciplinary Studies	4900	4,669,250	420,954	186,710	27,675		5,304,589
Instruct. Staff-Retire's Brnfts & Retire. Incentis	5900	516,348					516,348
Subtotal - Instructional Activities	599	48,497,153	3,797,125	2,093,276	775,550		55,163,104

* Salaries and Benefits of instructors and instructional aides in instructional assignments
** Salaries and Benefits of staff in noninstructional assignments

CCFS-311 (F. 6/2001, er)
10/29/03 4:22

Pasadena Community College District

770

District Code No.

CALIFORNIA COMMUNITY COLLEGES
Annual Financial and Budget Report

SUPPLEMENTAL DATA

For Actual Year: 2002-03

Expenditures by Activity
S10 General Fund - Combined
(Total Unrestricted and Restricted)

S10 GENERAL FUND - COMBINED

Activity Classification	State Use Only (EDP)	SALARIES and BENEFITS		Operating Expenses (4000 - 5000) (3)	Capital Outlay (6000) (4)	Other Outgo (7000) (5)	Total (1000 - 7000) (6)
		Instructional* (1)	Noninstructional** (2)				
Instruct. Admin. & Instruct. Governance (6000)							
Academic Administration	6010		6,415,046	445,223	86,617		6,946,890
Course and Curriculum Development	6020		457,722	179,596	22,579		659,897
Academic/Faculty Senate	6030		187,874	12,294			200,168
Other Instruct. Admin. & Instruct. Governance	6090		244,268	9,045	10,189		263,502
Subtotal - Instructional Administration	6000		7,304,910	646,158	119,385		8,070,453
Instructional Support Services (6100)							
Learning Center	6110		607,580	11,742	1,446		620,768
Library	6120		1,617,450	156,448	124,059		1,897,957
Media	6130		1,069,262	157,084	71,487		1,297,833
Museums and Galleries	6140		25,293	1,371			26,664
Academic Information Systems and Tech.	6150						
Other Instructional Support Services	6190						
Subtotal - Instructional Support Services	6100		3,319,585	326,645	196,992		3,843,222
Admissions and Records	6200		1,262,762	108,718	11,530		1,383,010
Student Counseling and Guidance (6300)							
Counseling and Guidance	6310		2,316,703	82,460	12,248		2,411,411
Matriculation and Student Assessment	6320		1,028,557	116,208	30,892		1,175,657
Transfer Programs	6330		322,140	63,699	4,308		390,147
Career Guidance	6340		357,254	21,614			378,868
Other Student Counseling and Guidance	6390		1,324	3,327			4,651
Subtotal - Student Counseling and Guidance	6300		4,025,978	287,308	47,448		4,360,734

* Salaries and Benefits of instructors and instructional aides in instructional assignments
 ** Salaries and Benefits of staff in noninstructional assignments

CCFS-311 (Rev. 6/2001, et)

10/29/03 4:40:11

CALIFORNIA COMMUNITY COLLEGES
Annual Financial and Budget Report

SUPPLEMENTAL DATA

For Actual Year: 2002-03

Expenditures by Activity
S10 General Fund - Combined
(Total Unrestricted and Restricted)

S10 GENERAL FUND - COMBINED

Activity Classification	State Use Only (EDP)	SALARIES and BENEFITS		Operating Expenses (4000 - 5000) (3)	Capital Outlay (6000) (4)	Other Outgo (7000) (5)	Total (1000 - 7000) (6)
		Instructional* (1)	Noninstructional** (2)				
Other Student Services (6400)							
Disabled Students Program & Services (DSPS)	6420		1,269,134	78,448	21,675	100	1,369,357
Extended Opportunity Prgms. & Services (EOPS)	6430		585,535	17,973	2,941	335,830	942,279
Health Services	6440		506,903	62,525	648		570,076
Student Personnel Administration	6450		799,171	48,072	7,883		855,126
Financial Aid Administration	6460		861,000	68,712	15,203		944,915
Job Placement Services	6470		329,308	16,049			345,357
Veterans Services	6480						
Miscellaneous Student Services	6490		759,918	127,942	3,393		891,253
Subtotal - Other Student Services	6400		5,110,969	419,721	51,743	335,930	5,918,363
Operation and Maintenance of Plant (6500)							
Building Maintenance and Repairs	6510						
Custodial Services	6530		2,379,476	751,913	51,021		3,182,410
Grounds Maintenance and Repairs	6550		2,324,097	252,173			2,576,270
Utilities	6570		488,636	67,709			556,345
Other Operation and Maintenance of Plant	6590			2,188,954			2,188,954
Subtotal - Operation and Maintenance of Plant	6500		5,192,209	3,260,749	51,021		8,503,979
Planning, Policymaking, and Coordination	6600		1,332,058	476,040	17,061		1,825,159

* Salaries and Benefits of instructors and instructional aides in instructional assignments
** Salaries and Benefits of staff in noninstructional assignments

CALIFORNIA COMMUNITY COLLEGES
Annual Financial and Budget Report

Expenditures by Activity
S10 General Fund - Combined
(Total Unrestricted and Restricted)

SUPPLEMENTAL DATA
For Actual Year: 2002-03

S10 GENERAL FUND - COMBINED									
Activity Classification	State Use Only (EDP)	SALARIES and BENEFITS		Operating Expenses (4000 - 5000) (3)	Capital Outlay (6000) (4)	Other Outgo (7000) (5)	Total (1000 - 7000) (6)		
		Instructional* (1)	Noninstructional** (2)						
General Institutional Support Services (6700)									
Community Relations	6710		608,061	63,565	866		672,492		
Fiscal Operations	6720		1,502,514	944,383	591		2,447,488		
Human Resources Management	6730		646,418	98,250	12,140		756,808		
Noninstr. Staff Retirees' Bnfts. & Retire. Incentis.	6740		283,171				283,171		
Staff Development	6750		71,984	32,639	9,820		114,443		
Staff Diversity	6760			11,792			11,792		
Logistical Services	6770		2,835,686	527,329	179,312		3,542,327		
Management Information Systems	6780		1,962,871	589,214	126,775		2,678,860		
Other General Institutional Support Services	6790		669,042	332,766	71,760		1,073,568		
Subtotal - General Institutional Support Services	6700		8,579,747	2,599,938	401,264		11,580,949		
Community Svcs. & Economic Develop. (6800)									
Community Recreation	6810								
Community Service Classes	6820		274,055	448,746			722,801		
Community Use Facilities	6830		162,680	830			163,510		
Economic Development	6840								
Other Community Svcs. & Economic Development	6890								
Subtotal - Community Services	6800		436,735	449,576			886,311		

* Salaries and Benefits of instructors and instructional aides in instructional assignments
 ** Salaries and Benefits of staff in noninstructional assignments

CALIFORNIA COMMUNITY COLLEGES
Annual Financial and Budget Report

SUPPLEMENTAL DATA

For Actual Year: 2002-03

Expenditures by Activity
S10 General Fund - Combined
(Total Unrestricted and Restricted)

S10 GENERAL FUND - COMBINED

Activity Classification	State Use Only (EDP)	SALARIES and BENEFITS		Operating Expenses (4000 - 5000) (3)	Capital Outlay (6000) (4)	Other Outgo (7000) (5)	Total (1000 - 7000) (6)
		Instructional* (1)	Noninstructional** (2)				
Ancillary Services (6900)							
Bookstores	6910						62,233
Child Development Centers	6920		61,944	313			
Farm Operations	6930						
Food Services	6940						
Parking	6950		899,430	203,775	23,745		1,126,950
Student and Co-curricular Activities	6960						
Student Housing	6970						
Other Ancillary Services	6990		120,825	616,199			737,024
Subtotal - Ancillary Services	6900		1,082,199	820,287	23,745		1,926,231
Auxiliary Operations (7000)							
Contract Education	7010		134,101	168,585			302,686
Other Auxiliary Operations	7090		34,887	401,499	8,353		444,739
Subtotal - Auxiliary Operations	7000		168,988	570,084	8,353		747,425
Physical Property and Related Acquisitions (7100)	7100				144,192		144,192
Long-Term Debt and Other Financing (7200)							
Long-Term Debt	7210						
Tax Revenue Anticipation Notes	7220						
Other Financing	7290						
Subtotal - Long-Term Debt and Other Financing	7200						
Transfers, Student Aid, and Other Outgo (7300)							
Transfers	7310					1,738,847	1,738,847
Student Aid	7320					325,232	325,232
Other Outgo	7330						
Subtotal - Transfers, Student Aid, and Other Outgo	7300					2,064,079	2,064,079
TOTAL EXPENDITURES and OTHER OUTGO	391	48,497,153	41,613,265	12,058,500	1,848,284	2,400,009	106,417,211

* Salaries and Benefits of instructors and instructional aides in instructional assignments
** Salaries and Benefits of staff in noninstructional assignments

CCFS-311 (Rev. 6/2001, er)

10/29/03 4:40

Pasadena Community College District 770 District Code No.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 HEALTH FEE ELIMINATION		For State Controller Use Only	
		(19) Program Number	00234
		(20) Date Filed	JAN 14 2005
		(21) LRS Input	3-1-05
(01) Claimant Identification Number S19335 CC 19335 ^v		Reimbursement Claim Data	
(02) Claimant Name Pasadena Area CCD		(22) HFE-1.0,(04)(b)	185,047
County of Location Los Angeles		(23)	
Street Address or P.O. Box 1570 East Colorado Blvd.		(24)	
City State Zip Code Pasadena CA 91108		(25)	
Type of Claim	Estimated Claim	Reimbursement Claim	(26)
	(03) Estimated <input checked="" type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(27)
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28)
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29)
Fiscal Year of Cost	(06) 2004-2005	(12) 2003-2004	(30)
Total Claimed Amount	(07) \$150,000	(13) \$185,047	(31) <i>RW</i>
LESS: 10% Late Penalty, not to exceed \$1000	(14)	<110,406>	(32) 9846
LESS: Prior Claim Payment Received	(15)		(33)
Net Claimed Amount	(16)	74641 185,047	(34)
Due from State	(08) \$150,000	(17) 185,047	(35)
Due to State	(18)		(36)
(37) CERTIFICATION OF CLAIM			
<p>In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the community college district to file claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 through 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.</p>			
Signature of Authorized Officer <i>Peter Hardash</i>		Date 1/14/2005	
Peter Hardash		Vice President, Administrative Services	
Type or Print Name		Title	
(38) Name of Contact Person for Claim		(949) 440-0845, Ext. 103	
James L. Robbins (MAXIMUS)		Telephone Number	
		JamesRobbins@maximus.com	
		E-Mail Address	

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.0
(01) Claimant: Pasadena Area CCD	(02) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2003-2004
(03) List all the colleges of the community college district identified in form HFE-1.1, line (03)		
	(a) Name of College	(b) Claimed Amount
1.	Pasadena Area CCD	\$185,047
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
21.		
(04) Total Amount Claimed		\$185,047

[Line (3.1b) + line (3.2b) + line (3.3b) + ...line (3.21b)]

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.1
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(01) Claimant: Pasadena Area CCD	(2) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2003-2004
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(3) Name of College

(04) Indicate with a check mark, the level at which health services were provided during the fiscal year of reimbursement in comparison to the 1986/87 fiscal year. If the 'Less' box is checked, STOP, do not complete the form. No reimbursement is allowed.

LESS SAME MORE

	Direct Cost	Indirect Cost	Total
(05) Cost of health services for the fiscal year of claim	\$521,023	\$160,339	\$681,362
(06) Cost of providing current fiscal year health services which are in excess of the level provided in 1986/87			
(07) Cost of providing current fiscal year health services at the 1986/87 level [Line (05) - Line (06)]	\$521,023	\$160,339	\$681,362

(08) Complete columns (a) through (g) to provide detail data for health fees

Period for which health fees were collected	(a) Number of Full-time Students	(b) Number of Part-Time Students	(c) Unit Cost for Full-Time Student per Educ. Code 76355	(d) Full-time Student Health Fees (a) x (c)	(e) Unit Cost for Part-time student per Educ. Code 76355	(f) Part-time Student Health Fees (b) x (e)	(g) Student Health Fees That Could Have Been Collected (d) + (f)
1. Per fall semester			\$12		\$12		
2. Per spring semester			\$12		\$12		
3. Per summer session			\$9		\$9		
4. Per first quarter							
5. Per second quarter							
6. Per third quarter							
(09) Total health fee that could have been collected	[Line (8.1g) + (8.2g) +(8.6g)]						\$496,315
(10) Sub-total	[Line (07) - line (09)]						\$185,047
Cost Reduction							
(11) Less: Offsetting Savings, if applicable							
(12) Less: Other Reimbursements, if applicable							
(13) Total Amount Claimed	[Line (10) - {(line (11) + line (12))}]						\$185,047

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES		FORM HFE-2
(01) Claimant: Pasadena Area CCD	(02) Fiscal Year Costs Were Incurred		2003-2004
(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim	
Accident Reports	X	X	
Appointments			
College Physician, surgeon	X	X	
Dermatology, Family practice	X	X	
Internal Medicine	X	X	
Outside Physician			
Dental Services			
Outside Labs, (X-ray, etc.)			
Psychologist, full service	X	X	
Cancel/Change Appointment	X	X	
Registered Nurse			
Check Appointments	X	X	
Assessment, Intervention and Counseling			
Birth Control	X	X	
Lab Reports	X	X	
Nutrition	X	X	
Test Results, office	X	X	
Venereal Disease	X	X	
Communicable Disease	X	X	
Upper Respiratory Infection	X	X	
Eyes, Nose and Throat	X	X	
Eye/Vision	X	X	
Dermatology/Allergy	X	X	
Neralgic	X	X	
Orthopedic			
Genito/Urinary			
Dental			
Gastro-Intestinal	X	X	
Stress Counseling	X	X	
Crisis Intervention	X	X	
Child Abuse Reporting and Counseling	X	X	
Substance Abuse Identification and Counseling			
Acquired Immune Deficiency Syndrome			
Eating Disorders			
Weight Control	X	X	
Personal Hygiene	X	X	
Burnout	X	X	
Other Medical Problems, list			
Examinations, minor illnesses			
Recheck Minor Injury	X	X	
Health Talks or Fairs, Infomation			
Sexually Transmitted Disease	X	X	
Drugs	X	X	
Acquired Immune Deficiency Syndrome	X	X	
Child Abuse	X	X	

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES	FORM HFE-2
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(01) Claimant: Pasadena Area CCD	(02) Fiscal Year Costs Were Incurred	2003-2004
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(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health service was provided by student health service fees for the indicated fiscal year.

	(a) FY 1986/87	(b) FY of Claim
Birth Control/Family Planning	X	X
Stop Smoking	X	X
Library, Videos and Cassettes		
First Aid, Major Emergencies	X	X
First Aid, Minor Emergencies		
First Aid Kits, Filled	X	X
Immunizations	X	X
Diphtheria/Tetanus		
Measles/Rubella		
Influenza	X	X
Infomation	X	X
Insurance	X	X
On Campus Accident		
Voluntary	X	X
Insurance Inquiry/Claim Administration	X	X
Laboratory Tests Done		
Inquiry/Interpretation		
Pap Smears	X	X
Physical Examinations		
Employees	X	X
Students		
Athletes		
Medications		
Anataclids		
Antidiarrheal	X	X
Aspirin, Tylenol, etc.,	X	X
Skin Rash Preparations	X	X
Eye Drops	X	X
Ear Drops	X	X
Toothache, oil cloves	X	X
Stingkill		
Midol, Menstrual Cramps		
Other, list	X	X
Parking Cards/Elevator Keys		
Tokens		
Return Card/Key		
Parking Inquiry		
Elevator Passes		
Temporary Handicapped Parking Permits		

