

**ITEM 3**  
**INCORRECT REDUCTION CLAIM**  
**PROPOSED DECISION**

Public Resources Code Sections 40148, 40196.3, 42920-42928; Public Contract Code Sections 12167 and 12167.1; Statutes 1992, Chapter 1116 (AB 3521); Statutes 1999, Chapter 764 (AB 75); State Agency Model Integrated Waste Management Plan (February 2000)

*Integrated Waste Management*

Fiscal Years 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006,  
2006-2007, 2007-2008, 2008-2009, 2009-2010, and 2010-2011

14-0007-I-05

State Center Community College District, Claimant

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Commission on State Mandates, Excerpt from the Minutes for the September 26, 2008 Meeting.

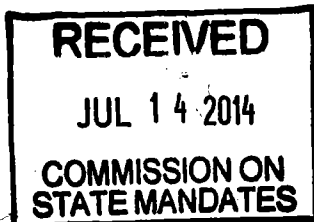
Commission on State Mandates, Item 9, Final Staff Analysis of Proposed Amendments to the Parameters and Guidelines for *Integrated Waste Management*, 05-PGA-16, January 30, 2009.

# SixTen and Associates

## Mandate Reimbursement Services

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July 9, 2014

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

RE: 1116/92 and 764/99 Integrated Waste Management  
State Center Community College District  
Fiscal Years 1999-00 and 2000-01 and 2003-04 through 2010-11  
Incorrect Reduction Claim

Dear Ms. Halsey:

Enclosed is the original and two copies of the above referenced incorrect reduction claim for State Center 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:

State Center Community College District

Edwin Y. Eng, Vice Chancellor Finance & Administration  
1525 East Weldon Avenue  
Fresno, CA 93704-6398  
Voice: 559-244-5910  
Fax: 559-243-1949  
E-Mail: ed.eng@scccd.edu

Sincerely,

A handwritten signature in black ink, appearing to read "Keith B. Petersen".

Keith B. Petersen

Enclosure: Incorrect Reduction Claim

C: Edwin Y. Eng, Vice Chancellor Finance & Administration

COMMISSION ON STATE MANDATES



1. INCORRECT REDUCTION CLAIM TITLE

1116/92 and 764/99 Integrated Waste Management

Filing Date:

2. CLAIMANT INFORMATION

State Center Community College District

Edwin Y. Eng, Vice Chancellor
Finance & Administration
1525 East Weldon Avenue
Fresno, CA 93704-6398
Voice: 559-244-5910
Fax: 559-243-1949
E-Mail: ed.eng@scccd.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
P.O. Box 340430
Sacramento, CA 95834-0430
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IRC #:

14-0007-1-05

4. IDENTIFICATION OF STATUTES OR EXECUTIVE ORDERS

Statutes of 1992, Chapter 1116,
Statutes of 1999, Chapter 764,
Public Resources Code 40418, 40196.3, 42920-928
Public Contract Code 12167 and 12167.1

5. AMOUNT OF INCORRECT REDUCTION

Table with 2 columns: Fiscal Year, Amount of Reduction. Rows include 1999-2000 to 2010-2011 and a TOTAL row.

6. NOTICE OF NO INTENT TO CONSOLIDATE

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

Sections 7-12 are attached as follows:

- 7. Written Detailed Narrative: Pages 1 to 21
8. Final SCO Audit Report: Exhibit A
9. Parameter's and Guidelines: Exhibit B
10. Claiming Instructions: Exhibit C
11. Annual Reimbursement Claims: Exhibit D
12. Controller's Payment Letters: Exhibit E

13. 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 personal knowledge or information or belief.

Edwin Y. Eng, Vice Chancellor
Finance & Administration

Signature

Date

Handwritten signature of Edwin Y. Eng

Handwritten date: 6/25/14

1 Claim Prepared by:  
Keith B. Petersen  
3 SixTen and Associates  
4 P.O. Box 340430  
5 Sacramento, California 95834-0430  
6 Voice: (916) 419-7093  
7 Fax: (916) 263-9701

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

11 INCORRECT REDUCTION CLAIM OF: )  
12 ) No. CSM \_\_\_\_\_  
13 )  
14 ) Statutes of 1992, Chapter 1116,  
15 ) Statutes of 1999, Chapter 764,  
16 ) Public Resources Code 40418,  
17 ) 40196.3, 42920-928 and  
18 ) Public Contract Code 12167 and  
19 ) 12167.1.  
20 **STATE CENTER** )  
21 **Community College District** ) **Integrated Waste Management**  
22 ) **Annual Reimbursement Claims:**  
23 )  
24 ) **Claimant.** )  
25 ) Fiscal Year 1999-00  
26 ) Fiscal Year 2000-01  
27 ) Fiscal Year 2003-04  
28 ) Fiscal Year 2004-05  
29 ) Fiscal Year 2005-06  
30 ) Fiscal Year 2006-07  
31 ) Fiscal Year 2007-08  
32 ) Fiscal Year 2008-09  
33 ) Fiscal Year 2009-10  
34 ) Fiscal Year 2010-11  
35 )

36 INCORRECT REDUCTION CLAIM FILING

37 PART I. AUTHORITY FOR THE CLAIM

38 The Commission on State Mandates has the authority pursuant to Government



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1 Code Section 17551(d) “. . . to hear and decide upon a claim by a local agency or  
2 school district, filed on or after January 1, 1985, that the Controller has incorrectly  
3 reduced payments to the local agency or school district pursuant to paragraph (2) of  
4 subdivision (d) of Section 17561.” State Center Community College District (hereafter  
5 “District”) is a school district as defined in Government Code Section 17519. Title 2,  
6 CCR, Section 1185 (a), requires the claimant to file an incorrect reduction claim with the  
7 Commission.

8 This incorrect reduction claim is timely filed. Title 2, CCR, Section 1185 (c),  
9 requires incorrect reduction claims to be filed no later than three years following the  
10 date of the Controller’s notice to the claimant of a reduction in payment for an annual  
11 claim. A Controller’s audit report dated August 30, 2013, has been issued. See Exhibit  
12 A. A Controller’s claim action notice letter dated September 6, 2013, has been issued  
13 for each audited annual claim that constitutes notice of the field audit findings that  
14 resulted in a claim payment reduction. See Exhibit E. The audit report and claim action  
15 letters each and both constitute a final adjudication of the claim and notice of payment  
16 reduction.

17 There is no alternative dispute resolution process available from the Controller’s  
18 office. The audit report letter states that an incorrect reduction claim should be filed  
19 with the Commission if the claimant disagrees with the audit findings.

20 PART II. SUMMARY OF THE CLAIM

21 The Controller conducted an audit of the District’s annual reimbursement claims

**Incorrect Reduction Claim of State Center Community College District  
1116/92 and 764/99 Integrated Waste Management**

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for Fiscal Years 1999-00 and 2000-01, and 2003-04 through 2010-11 for the cost of complying with the legislatively mandated Integrated Waste Management program. As a result of the audit, the Controller determined that \$296,208 of the \$436,519 claimed costs were unallowable:

<u>Fiscal Year</u>	<u>Amount Claimed</u>	<u>Audit Adjustment</u>	<u>SCO Payments</u>	<u>Amount Due &lt;State&gt; District</u>
1999-00	\$ 36,517	\$ 10,535	\$ 0	\$ 25,982
2000-01	\$ 32,449	\$ 20,642	\$ 0	\$ 11,807
2003-04	\$ 43,122	\$ 29,569	\$ 0	\$ 13,553
2004-05	\$ 43,524	\$ 31,734	\$ 0	\$ 11,790
2005-06	\$ 60,877	\$ 34,278	\$ 0	\$ 26,599
2006-07	\$ 50,451	\$ 37,027	\$ 0	\$ 13,424
2007-08	\$ 50,797	\$ 38,110	\$ 0	\$ 12,687
2008-09	\$ 52,760	\$ 40,805	\$ 0	\$ 11,955
2009-10	\$ 51,778	\$ 42,729	\$ 0	\$ 9,049
2010-11	<u>\$ 14,244</u>	<u>\$ 10,779</u>	<u>\$ 0</u>	<u>\$ 3,465</u>
Totals	\$ 436,519	\$ 296,208	\$ 0	\$ 140,311

Since the District did not receive any payments for these claims as of the date of the audit report, the audit report states that \$140,311 is payable to the District.

**PART III. PREVIOUS INCORRECT REDUCTION CLAIMS**

The District has not filed any previous incorrect reduction claims for this mandate program. On March 28, 2014, the Pasadena Area Community College District filed an

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1 incorrect reduction claim (13-0007-I-01) on this mandate program that includes similar  
2 issues. On June 17, 2014, the Sierra Joint Community College District filed an incorrect  
3 reduction claim on this mandate program that includes similar issues.

4 PART IV. BASIS FOR REIMBURSEMENT

5 A. Mandate Legislation

6 Statutes of 1992, Chapter 1116, amended Public Contract Code sections 12167  
7 and 12167.1 allowing the governing board of each college district, on or after July 1,  
8 1994, to expend funds in the Integrated Waste Management Account, upon  
9 appropriation by the Legislature, for the purpose of offsetting costs created by the  
10 recycling program.

11 Statutes of 1999, Chapter 764, added Public Resources Code sections 40148,  
12 40196.3 and 42920-42928 to require the governing board of each college district, on or  
13 before February 15, 2000, to adopt a state agency model integrated waste  
14 management plan which specifies that the district: complies with the State Agency  
15 Model plan; designate a solid waste reduction and recycling coordinator; divert at least  
16 50 percent of all solid waste from disposal or transformation facilities; submit a report to  
17 the board summarizing the progress made in reducing solid waste; and, submit  
18 information on quantities of recyclable materials collected on an annual basis to the  
19 Board.

20 B. Test Claim

21 The Commission on State Mandates, in the Statement of Decision adopted at

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1 the March 25, 2004 hearing, found that Public Resources Code sections 40148,  
2 40196.3, 42920-42928, Public Contract Code sections 12167 and 12167.1, and the  
3 State Agency Model Integrated Waste Management Plan constitute new programs or  
4 higher levels of service for community college districts within the meaning of Section 6,  
5 Article XIII B of the California Constitution. The Commission determined that  
6 performing the following specific new activities resulted in increased costs for  
7 community college districts to:

- 8 (1) Comply with the state model plan (Public Resources Code section 42920(b)(3)  
9 and State Agency Model Integrated Waste Management Plan, February 2000).
- 10 (2) Designate a district solid waste reduction and recycling coordinator (Public  
11 Resources Code section 42920 (c)).
- 12 (3) Divert at least 25 percent of all of its solid waste by January 1, 2002 and at least  
13 50 percent by January 1, 2004 (Public Resources Code sections 42921 and  
14 42922(i)). A district may seek an extension from the California Integrated Waste  
15 Management Board until December 31, 2005.
- 16 (4) Report by April 1 each year to the California Integrated Waste Management  
17 Board the progress in reducing solid waste (Public Resources Code sections  
18 42926(a) and 42922(i)).
- 19 (5) Submit annual recycled material reports to the California Integrated Waste  
20 Management Board (Public Contract Code section 12167.1).

21 /

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1 C. Parameters and Guidelines

2 On March 30, 2005, the original parameters and guidelines were adopted. As a  
3 result of litigation<sup>1</sup>, amended parameters and guidelines were issued September 26,  
4 2008, with retroactive effect. A copy of the original and amended parameters and  
5 guidelines are attached as Exhibit B.

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*State of California, Department of Finance, California Integrated Waste Management Board v. Commission on State Mandates, et al.* (Sacramento County Superior Court, Case No. 07CS00355)

The Department of Finance and the Integrated Waste Management Board filed a petition for writ of mandate in March 2007, asking the court to set aside the Commission's decision granting the test claim and to require the Commission to issue a new Statement of Decision and parameters and guidelines that give full consideration to the community colleges' cost savings (e.g. avoided landfill disposal fees) and revenues (from recyclables) by complying with the test claim statutes. Petitioners' position was that the Commission had not properly accounted for all the offsetting cost savings from avoided disposal costs, or offsetting revenues from the sale of recyclable materials, in the Statement of Decision or parameters and guidelines. The Judgment and a Writ of Mandate were issued on June 30, 2008, ordering the Commission to:

1. amend the parameters and guidelines in Test Claim No. 00-TC-07 to require community college districts claiming reimbursable costs of an integrated waste management plan under Public Resources Code section 42920, et seq. to identify and offset from their claims, consistent with the directions for revenue in Public Contract code sections 12167 and 12167.1, cost savings realized as a result of implementing their plans; and
2. amend the parameters and guidelines in Test Claim No. 00-TC-07 to require community college districts claiming reimbursable costs of an integrated waste management plan under Public Resources Code section 42920, et seq. to identify and offset from their claims all of the revenue generated as a result of implementing their plans, without regard to the limitations or conditions described in sections 12167 and 12167.1 of the Public Contract Code.

1     **D.     Claiming Instructions**

2             The Controller issued the first claiming instructions on June 6, 2005, for use to  
3     submit the initial claims for Fiscal Years 1999-00 through 2004-05. The claiming  
4     instructions have been annually revised for purposes of subsequent fiscal year filing  
5     dates. A copy of these claiming instructions are attached. See Exhibit C. However,  
6     since the Controller's claim forms and instructions have not been adopted as  
7     regulations, they have no force of law, and, therefore, have no effect on the outcome of  
8     this incorrect reduction claim.

9                             **PART V. STATE CONTROLLER CLAIM ADJUDICATION**

10            The Controller conducted an audit of the District's annual reimbursement claims  
11     for Fiscal Years 1999-00 through 2000-01, and 2003-04 through 2010-11. The audit  
12     concluded that only \$140,311 (32.1%) of the District's \$436,519 costs, as claimed, are  
13     allowable. A copy of the August 30, 2013, audit report is attached as Exhibit A.

14                             **PART VI. STATEMENT OF THE ISSUES**

15     **Finding - Understated offsetting savings**

16     **A.     OFFSETTING COST SAVINGS**

17            The District did not report offsetting cost savings because none were realized.  
18     The audit report states that the total claimed costs of \$436,519 should have been  
19     reduced by \$296,208 of cost savings calculated by multiplying the tonnage diverted by  
20     a statewide average landfill fee per ton. However, none of these alleged cost savings  
21     were realized by the District as required by the parameters and guidelines.

1     1.     The Legal Requirement

2             The notion of avoided cost for this mandate is a result of litigation by the  
3     Department of Finance and the Integrated Waste Management Board. The retroactive  
4     court decision requires a community college district to "identify and deduct offsetting  
5     costs savings from its claimed reimbursable costs." The court asserted, without  
6     evidence in the record, that these reductions will "most likely" occur:

7             In complying with the mandated solid waste diversion requirements of  
8     Public Resources Code section 42921, California Community Colleges are likely  
9     to experience cost savings in the form of reduced or avoided costs of landfill  
10    disposal. The reduced or avoided costs are a direct result and an integral part of  
11    the IWM plan mandates under Public Resources Code section 42920 et seq.: as  
12    solid waste diversion occurs, *landfill disposal of the solid waste and associated*  
13    landfill disposal costs are reduced or avoided. Indeed, diversion is defined in  
14    terms of landfill disposal for purposes of the IWM plan mandates. (See Pub.  
15    Resources Code §§ 40124 ("diversion' means activities which reduce or  
16    eliminate the amount of solid waste from solid waste disposal for purposes of  
17    this division [i.e., division 30, including § 42920 et seq.]"), 40192, subd. (b) (for  
18    purposes of Part 2 (commencing with Section 40900), 'disposal' means the  
19    management of solid waste through landfill disposal or transformation at a  
20    permitted solid waste facility.".) *Emphasis added.*

21            Such reduction or avoidance of landfill fees and costs resulting from solid  
22    waste diversion activities under § 42920 et seq. represent savings which must be  
23    offset against the costs of the diversion activities to determine the reimbursable  
24    costs of IWM plan implementation -- i.e., the actual increased costs of diversion -  
25    - under section 6 and section 17514. Similarly, under Public Resources Code  
26    section 42925, such offsetting savings must be redirected to fund IWM plan  
27    implementation and administration costs in accordance with Public Contract  
28    Code section 12167. *The amount or value of the savings may be determined*  
29    *from the calculations of annual solid waste disposal reduction or diversion which*  
30    *California Community Colleges must annually report to petitioner Integrated*  
31    *Waste Management Board pursuant to subdivision (b)(1) of Public Resources*  
32    *Code section 42926. Emphasis added*

33            The amended and retroactive parameters and guidelines adopted September

1 26, 2008, applied the court language as follows:

2 **VIII. OFFSETTING COST SAVINGS**

3 Reduced or avoided costs realized from implementation of the community  
4 college districts' Integrated Waste Management plans shall be identified and  
5 offset from this claim as cost savings, consistent with the directions for revenue  
6 in Public Contract Code sections 12167 and 12167.1. Pursuant to these statutes,  
7 community college districts are required to deposit cost savings resulting from  
8 their Integrated Waste Management plans in the Integrated Waste Management  
9 Account in the Integrated Waste Management Fund; the funds deposited in the  
10 Integrated Waste Management Account, upon appropriation by the Legislature,  
11 may be expended by the California Integrated Waste Management Board for the  
12 purpose of offsetting Integrated Waste Management plan costs. Subject to the  
13 approval of the California Integrated Waste Management Board, cost savings by  
14 a community college that do not exceed two thousand dollars (\$2,000) annually  
15 are continuously appropriated for expenditure by the community college for the  
16 purpose of offsetting Integrated Waste Management program costs. Cost  
17 savings exceeding two thousand dollars (\$2,000) annually may be available for  
18 expenditure by the community college only when appropriated by the Legislature.  
19 To the extent so approved or appropriated and applied to the college, these  
20 amounts shall be identified and offset from the costs claimed for implementing  
21 the Integrated Waste Management Plan. Emphasis added.

22 2. Assumed Cost Savings

23 The court presupposes a previous legal requirement for districts to incur landfill  
24 disposal fees to divert solid waste. Thus, potentially relieved of the need to incur new  
25 or additional landfill fees for increased waste diversion, a cost savings would occur.

26 There is no finding of fact or law in the court decision or from the Commission  
27 Statement of Decision for the test claim for this assumed duty to use landfills.

28 However, since the court stated that the cost savings from avoided landfill costs are  
29 only "likely," potential cost savings would be a finding of fact not law. There is no  
30 evidence in the court decision that these reduced or avoided landfill costs occurred at



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1 all or to any one district other than the bare assertion that such savings may have  
2 occurred. Thus, potential landfill cost savings would be a question of fact for each  
3 claiming district. However, the Controller's audit adjustment erroneously and simply  
4 assumes these cost savings occurred in the form of avoided landfill fees for the  
5 mandated tonnage diverted. The audit report merely states that the Controller has  
6 "determined that the district had reduced or avoided costs" apparently, and only, as a  
7 result of increased diversion of solid waste.

8 3. Realized Cost Savings

9 The parameters and guidelines language does not assume that the cost savings  
10 occurred, but instead requires that the cost savings be *realized*. The amended  
11 parameters and guidelines, relying upon the court decision, state that "(r)educed or  
12 avoided costs *realized* from implementation of the community college districts'  
13 Integrated Waste Management plans shall be identified and offset from this claim as  
14 cost savings . . . ." To be realized, the court states that the following string of events  
15 must occur:

16 Thus, in accordance with section 12167, state agencies, along with  
17 California Community Colleges which are defined as state agencies for purposes  
18 of IWM plan requirements in Public Resources Code section 42920 et seq.  
19 (Pub. Resources Code §§ 40196, 40148), must deposit cost savings resulting  
20 from IWM plans in the Integrated Waste Management Account in the Integrated  
21 Waste Management Fund; the funds deposited in the Integrated Waste  
22 Management Account, upon appropriation by the Legislature, may be expended  
23 by the Integrated Waste Management Board for the purpose of offsetting IWM  
24 plan costs. In accordance with section 12167.1 and notwithstanding section  
25 12167, cost savings from the IWM plans of the agencies and colleges that do not  
26 exceed \$2,000 annually are continuously appropriated for expenditure by the  
27 agencies and colleges for the purpose of offsetting IWM plan implementation

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1 and administration costs; cost savings resulting from IWM plans in excess of  
2 \$2,000 annually are available for such expenditure by the agencies and colleges  
3 when appropriated by the Legislature.

4 For the cost savings to be realized, the parameters and guidelines further require  
5 that "(t)o the extent so approved or appropriated and applied to the college, these  
6 amounts shall be identified and offset from the costs claimed for implementing the  
7 Integrated Waste Management Plan." Thus, a certain chain of events must occur: the  
8 cost savings must exist (avoided landfill costs); be converted to cash; amounts in  
9 excess of \$2,000 per year deposited in the state fund; and, these deposits by the  
10 districts appropriated by the Legislature to districts for purposes of mitigating the cost of  
11 implementing the plan. None of those prerequisite events occurred so no cost savings  
12 were "realized" by the District. Regardless, the adjustment cannot be applied to the  
13 District since no state appropriation of the cost savings was made to the District.

14 4. Calculation of the Cost Savings

15 The court suggests that "(t)he amount or value of the savings may be determined  
16 from the calculations of annual solid waste disposal reduction or diversion which  
17 California Community Colleges must annually report to petitioner Integrated Waste  
18 Management Board pursuant to subdivision (b)(1) of Public Resources Code section  
19 42926." The parameters and guidelines are silent as to how to calculate the avoided  
20 costs. The court provided two alternative methods, either disposal reduction or  
21 diversion reported by districts, and the Controller utilized the diversion percentage,  
22 which assumes, without findings of fact, that all diversion tonnage is landfill disposal

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1 tonnage reduction.

2 a. The Controller's formula is a standard of general application

3 The audit adjustment for the assumed landfill cost savings is based on a  
4 formula created by the Controller and has been consistently used for all 32  
5 audits of this mandate published by the Controller (as of the date of this  
6 document). The Controller's use of this formula for audit purposes is a standard  
7 of general application without appropriate state agency rulemaking and is  
8 therefore unenforceable (Government Code Section 11340.5). The formula is  
9 not an exempt audit guideline (Government Code Section 11340.9(e)). State  
10 agencies are prohibited from enforcing underground regulations. If a state  
11 agency issues, enforces, or attempts to enforce a rule without following the  
12 Administrative Procedure Act, when it is required to, the rule is called an  
13 "underground regulation." Further, the audit adjustment is a financial penalty  
14 against the District, and since the adjustment is based on an underground  
15 regulation, the formula cannot be used for the audit adjustment (Government  
16 Code Section 11425.50).

17 b. The Controller's formula assumes facts not in evidence

18 The audited offsetting cost savings is the sum of three components: the  
19 "allocated" diversion percentage, multiplied by the tonnage diverted, multiplied by  
20 a landfill disposal cost per ton. The Controller's calculation method includes  
21 several factual errors that make it useless as a basis of determining potential

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1 cost savings.

2 1. Allocated diversion percentage: The audit report uses the  
3 diversion percentage reported by the District to the state (CalRecycle) for  
4 each year until 2008 at which time this statistic was no longer available  
5 from CalRecycle. The auditor then used the 2007 percentage for all  
6 subsequent years. In addition, for Fresno City College, the auditor used  
7 the 2001 diversion percentage to calculate the offsetting savings for FY  
8 1999-2000 and FY 2000-01 because the copy of the Waste Management  
9 Annual Report obtained from CalRecycle had not been finalized.  
10 Therefore, the diversion rates used for the audit adjustments for FY 1999-  
2000 and FY 2000-01 and after 2007 are fiction.

12 2. Tonnage diverted: The Controller formula uses the total tonnage  
13 reported by the District to CalRecycle. The audit report states that this  
14 total amount includes "solid waste that the district recycled, composted,  
15 and kept out of the landfill." Next, the audit report assumes without  
16 findings that all diverted tonnage would have been disposed in a landfill  
17 and thus additional landfill fees incurred for all additional tonnage diverted.  
18 Composted material, which is a significant amount of the diverted  
19 tonnage, would not have gone to the landfill. The audit report also  
20 assumes without findings that all diverted tonnage is within the scope of  
21 the mandate. The total tons diverted for some fiscal years may include

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1 materials that are outside the scope of the mandate (e.g., paint,  
2 hazardous materials). Deducting the compost amount and tonnage  
3 unrelated to the mandate would reduce both the total tonnage and the  
4 diversion percentage. The audit report uses the total tonnage diverted  
5 reported by the District to the state (CalRecycle) for each year until 2008  
6 at which time this statistic was no longer available from CalRecycle. The  
7 auditor then used the 2007 tonnage for all subsequent years. In addition,  
8 for Fresno City College, the auditor used the 2001 tonnage diverted to  
9 calculate the offsetting savings for FY 1999-2000 and FY 2000-01  
10 because the copy of the Waste Management Annual Report obtained  
11 from CalRecycle had not been finalized. Therefore, the diversion rates  
12 used for the audit adjustments for FY 1999-2000 and FY 2000-01 and  
13 after 2007 are fiction.

14 3. Landfill disposal fee: Having no District information in the annual  
15 claims for landfill disposal fees, since it was not required for the annual  
16 claims or the CalRecycle report, the Controller's method uses a statewide  
17 average cost to dispose of a ton of waste, ranging from \$36 to \$56 per  
18 ton, based on data said to be obtained from CalRecycle. The audit report  
19 does not include the CalRecycle statewide data used to generate these  
20 average fee amounts. Thus, the source of the average or actual costs  
21 that comprise the average is unknown and unsupported by audit findings.

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1 5. Application of the Formula

2 There are several factual errors in the application of this offset. The District did  
3 not claim landfill costs, so there are none to be offset. The adjustment method does  
4 not match or limit the landfill costs avoided to landfill costs, if any, actually claimed.  
5 Instead, the total adjustment amount for avoided landfill costs is applied to the total  
6 annual claim amounts and thus reduces unrelated salary and benefit costs for:  
7 preparing district policies and procedures; training staff who work on the integrated  
8 waste management plan; designating a plan coordinator; operating the plan accounting  
9 system; and, preparing annual recycling material reports.

10 The Controller's calculation method thus prevents this District from receiving full  
11 reimbursement of its actual increased program costs, contrary to an unfounded  
12 expectation by the court. Footnote 1 of the court decisions states that:

13 There is no indication in the administrative record or in the legal  
14 authorities provided to the court that, as respondent argues, a California  
15 Community College might not receive the full reimbursement of its actual  
16 increased costs required by section 6 if its claims for reimbursement of IWM plan  
17 costs were offset by realized cost savings and all revenues received from plan  
18 activities.

19 Indeed, it appears from the statewide audit results<sup>2</sup> to date that the application of the  
20 formula has only arbitrary results. The following table indicates the percentage of the  
21 total claimed cost allowed by the "desk audits" conducted by the Controller on the single  
22 issue of the costs savings offset:

---

<sup>2</sup> The Controller's audit reports are available at:  
[http://www.sco.ca.gov/aud\\_mancost\\_commcolleges\\_costrpt.html](http://www.sco.ca.gov/aud_mancost_commcolleges_costrpt.html)

Incorrect Reduction Claim of State Center Community College District  
 1116/92 and 764/99 Integrated Waste Management

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1	<b>Controller's Audits-cost savings Issue only</b>	Percentage	Audit
2	<u>District</u>	<u>Allowed</u>	<u>Date</u>
3	Mira Costa Community College District	0%	10/08/2013
4	Citrus Community College District	2.0%	09/11/2013
5	Yuba Community College District	3.4%	05/07/2014
6	Grossmont-Cuyamaca Community College District	28.7%	04/30/2013
7	State Center Community College District	32.1%	08/30/2013
8	Merced Community College District	33.2%	07/09/2013
9	North Orange County Community College District	33.6%	08/15/2013
10	Solano Community College District	34.4%	06/17/2013
11	Long Beach Community College District	35.4%	05/22/2014
12	Sierra Joint Community College District	41.4%	07/22/2013
13	Yosemite Community College District	41.7%	07/10/2013
14	El Camino Community College District	43.0%	03/19/2014
15	Mt. San Antonio Community College District	43.7%	08/15/2013
16	Hartnell Community College District	45.0%	04/09/2014
17	Contra Costa Community College District	58.7%	05/29/2013
18	Monterey Peninsula Community College District	59.8%	06/05/2014
19	Siskiyou Joint Community College District	62.2%	06/03/2014
20	San Joaquin Delta Community College District	69.5%	05/07/2014
21	Gavilan Joint Community College District	69.6%	04/11/2014
22	West Kern Community College District	69.9%	06/03/2014
23	Marin Community College District	72.4%	06/03/2014
24	Victor Valley Community College District	73.4%	04/09/2014
25	Redwood Community College District	83.4%	04/11/2014

26 The District agrees that any relevant cost savings should be reported, but the offset  
 27 must also be properly matched to relevant costs.

28 **B. OFFSETTING REVENUES AND REIMBURSEMENTS**

29 The District's annual claims reported recycling income as an offset to total  
 30 reimbursable costs in the amount of \$6,967:

31 /

Incorrect Reduction Claim of State Center Community College District  
1116/92 and 764/99 Integrated Waste Management

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	Controller	Lines 9,10,11
	Form IWM-1	Other
	<u>Fiscal Year</u>	<u>Reimbursements</u>
1		
2		
3		
4		
5	1999-00	\$ 466.90
6	2000-01	\$ 235.50
7	2003-04	\$ 323.30
8	2004-05	\$ 602.00
9	2005-06	\$ 375.00
10	2006-07	\$ 710.00
11	2007-08	\$ 1,728.00
12	2008-09	\$ 1,170.00
13	2009-10	\$ 846.00
14	2010-11	\$ <u>510.10</u>
15	Totals	\$\$ 6,966.80

16 The audit report correctly states that this District revenue was not deposited into the  
17 State IWM Account, but there is no such requirement to do so for community colleges.  
18 Recycling revenues are not offsetting cost savings, but are offsetting revenues  
19 generated from implementing the IWM plan. Regarding recycling revenues, the court  
20 stated:

21 Although Public Contract Code sections 12167 and 12167.1 apply to  
22 California Community Colleges for the purpose of offsetting savings pursuant to  
23 the terms of Public Resources Code section 42925, *sections 12167 and 12167.1*  
24 *do not apply to the colleges for the purpose of offsetting revenues or, indeed,*  
25 *any other purpose. Sections 12167 and 12167.1 apply exclusively to state*  
26 *agencies and institutions; the colleges, which are school districts rather than*



1 state agencies, are not specially defined as state agencies for purposes of the  
2 State Assistance for Recycling Markets Act of which sections 12167 and 12167.1  
3 are a part. Therefore, sections 12167 and 12167.1 do not properly govern the  
4 revenues generated by the colleges' recycling activities pursuant to their IWM  
5 plans. *The limits and conditions placed by sections 12167 and 12167.1 on the*  
6 *expenditure of recycling revenues for the purpose of offsetting recycling program*  
7 *costs are simply inapplicable to the revenues generated by the colleges'*  
8 *recycling activities.*

9 The provisions of Public Resources Code section 42920 et seq. do not  
10 address the use of revenues generated by recycling activities of California  
11 Community Colleges under IWM plans to offset reimbursable plan costs. *Thus,*  
12 *use of the revenues to offset reimbursable IWM plan costs is governed by the*  
13 *general principles of state mandates, that only the actual increased costs of a*  
14 *state-mandated program are reimbursable and, to that end, revenues provided*  
15 *for by the state-mandated program must be deducted from program costs.* (See  
16 Cal. Const., art. XIII B, § 6; Gov.Code §§ 17514, 17556, subd. (e); *County of*  
17 *Fresno v. State of California* (1991) 51 Cal.3d 482, 487; *County of Sonoma v.*  
18 *Commission on State Mandates*, (2000) 84 Cal.App.4th 1264, 1284.) These  
19 principles are reflected in respondent's regulation which requires, without  
20 limitation or exception, the identification of offsetting revenues in the parameters  
21 and guidelines for reimbursable cost claims. (Cal. Code Regs., tit. 2, §  
22 1183.1(a)(7).) *Emphasis added.*

23 The amended and retroactive parameters and guidelines adopted September 26, 2008,  
24 state:

#### 25 **VII. OFFSETTING REVENUES AND REIMBURSEMENTS**

26 Reimbursement for this mandate from any source, including but not limited to,  
27 services fees collected, federal funds, and other state funds allocated to any  
28 service provided under this program, shall be identified and offset from this  
29 claim. Offsetting revenue shall include all revenues generated from implementing  
30 the Integrated Waste Management Plan.

31 In addition, revenue from a building-operating fee imposed pursuant to  
32 Education Code section 76375, subdivision (a) if received by a claimant and the  
33 revenue is applied to this program, shall be deducted from the costs claimed.

34 Therefore, the District properly reported the recycling income as a reduction of total

1 claimed cost and not subject to state appropriation in the form of cost savings.

2 **C. PROCEDURAL ISSUES**

3 1. Standard of Review

4 None of the adjustments were made because the program costs claimed were  
5 excessive or unreasonable. The Controller does not assert that the claimed costs were  
6 excessive or reasonable, which is the only mandated cost audit standard in statute  
7 (Government Code Section 17561(d) (2)). It would therefore appear that the entire  
8 findings are based upon the wrong standard for review. If the Controller wishes to  
9 enforce other audit standards for mandated cost reimbursement, the Controller should  
10 comply with the Administrative Procedure Act.

11 2. Burden of Proof

12 Here, the evidentiary issue is the Controller's method for determining the  
13 adjustments. In many instances in the audit report, the District was invited to provide  
14 missing data in lieu of fictional data used by auditor, or to disprove the auditor's factual  
15 assumptions. This is an inappropriate shifting of the burden of proof for an audit. The  
16 Controller must first provide evidence as to the propriety of its audit findings because it  
17 bears the burden of going forward and because it is the party with the power to create,  
18 maintain, and provide evidence regarding its auditing methods and procedures, as well  
19 as the specific facts relied upon for its audit findings.

20 /

21 /

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 Integrated Waste Management  
5 program imposed by the relevant Public Contract and Public Resources Code sections  
6 represent the actual costs incurred by the District to carry out this program. These  
7 costs were properly claimed pursuant to the Commission's parameters and guidelines.  
8 Reimbursement of these costs is required under Article XIII B, Section 6 of the California  
9 Constitution. The Controller's adjustments deny reimbursement without any basis in  
10 law or fact. The District has met its burden of going forward on this incorrect reduction  
11 claim by 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 /

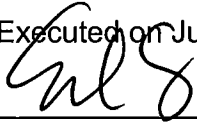
Incorrect Reduction Claim of State Center Community College District  
1116/92 and 764/99 Integrated Waste Management

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1 PART VIII. CERTIFICATION

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

8 Executed on June 25, 2014, at Fresno, California, by

9   
10 \_\_\_\_\_  
11 Edwin Y. Eng, Vice Chancellor Finance & Administration  
12 State Center Community College District  
13 1525 East Weldon Avenue  
14 Fresno, CA 93704-6398  
15 Voice: 559-244-5910  
16 Fax: 559-243-1949  
E-Mail: ed.eng@scccd.edu

17 APPOINTMENT OF REPRESENTATIVE

18 State Center Community College District appoints Keith B. Petersen, SixTen and  
19 Associates, as its representative for this incorrect reduction claim.

20   
21 \_\_\_\_\_  
22 Edwin Y. Eng, Vice Chancellor  
23 Finance & Administration  
State Center Community College District

  
\_\_\_\_\_ Date

24 Attachments:

25 Exhibit "A" Controller's Audit Report dated August 30, 2013  
26 Exhibit "B" Original Parameters and Guidelines adopted March 30, 2005, and  
27 Amended Parameters and Guidelines dated September 26, 2008  
28 Exhibit "C" Controller's Claiming Instructions  
29 Exhibit "D" Annual Reimbursement Claims  
30 Exhibit "E" Controller's Payment Action Letters dated September 6, 2013





**JOHN CHIANG**  
California State Controller

August 30, 2013

Edwin Eng, Vice Chancellor, Finance and Administration  
State Center Community College District  
1525 East Weldon Avenue  
Fresno, CA 93704

Dear Mr. Eng:

The State Controller's Office reviewed the costs claimed by State Center Community College District for the legislatively mandated Integrated Waste Management Program (Chapter 1116, Statutes of 1992; and Chapter 764, Statutes of 1999) for the period of July 1, 1999, through June 30, 2001; and July 1, 2003, through June 30, 2011. We did not include the costs claimed for the period of July 1, 2001, through June 30, 2003, in the review period because the statute of limitations to initiate the review had expired before we began the review. Our review was limited to ensuring that offsetting savings were properly reported in accordance with program requirements.

The district claimed \$436,519 for the mandated program. Our review found that \$140,311 is allowable and \$296,208 is unallowable. The costs are unallowable because the district did not report any offsetting savings realized as a result of implementing its integrated waste management plan, as described in the attached Summary of Program Costs, Summary of Offsetting Savings Calculations, and the Finding and Recommendation. The State made no payment to the district. The State will pay \$140,311, contingent upon available appropriations.

If you disagree with the review finding, you may file an Incorrect Reduction Claim (IRC) with the Commission on State Mandates (CSM). The IRC must be filed within three years following the date that we notify you of a claim reduction. You may obtain IRC information at the CSM's website at [www.csm.ca.gov/docs/IRCFORM.pdf](http://www.csm.ca.gov/docs/IRCFORM.pdf).

Edwin Eng, Vice Chancellor,  
Finance and Administration

-2-

August 30, 2013

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

Sincerely,

*Original signed by*

JEFFREY V. BROWNFIELD, CPA  
Chief, Division of Audits

JVB/kw

Attachments

RE: S13-MCC-959

cc: Wil Schofield, Director of Finance  
State Center Community College District  
Glynn Billings, Accounting Manager  
State Center Community College District  
Christine Atalig, Specialist, College Finance and Facilities Planning  
California Community Colleges Chancellor's Office  
Mollie Quasebarth, Principal Program Budget Analyst  
Education Systems Unit, California Department of Finance  
Mario Rodriguez, Finance Budget Analyst  
Education Systems Unit, California Department of Finance  
Jay Lal, Manager  
Division of Accounting and Reporting  
State Controller's Office

**Attachment 1—  
Summary of Program Costs  
July 1, 1999, through June 30, 2001;  
and July 1, 2003, through June 30, 2011**

Cost Elements	Actual Costs Claimed	Allowable per Review	Review Adjustment <sup>1</sup>
<u>July 1, 1999, through June 30, 2000</u>			
Direct costs:			
Salaries and benefits	\$ 16,038	\$ 16,038	\$ —
Fixed assets	14,487	14,487	—
Travel and training	323	323	—
Total direct costs	30,848	30,848	—
Indirect costs	6,136	6,136	—
Total direct and indirect costs	36,984	36,984	—
Less offsetting revenues and reimbursements	(467)	(467)	—
Less offsetting savings <sup>2</sup>	—	(10,535)	(10,535)
Total program costs	<u>\$ 36,517</u>	25,982	<u>\$ (10,535)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 25,982</u>	
<u>July 1, 2000, through June 30, 2001</u>			
Direct costs:			
Salaries and benefits	\$ 16,462	\$ 16,462	\$ —
Fixed assets	10,528	10,528	—
Total direct costs	26,990	26,990	—
Indirect costs	5,695	5,695	—
Total direct and indirect costs	32,685	32,685	—
Less offsetting revenues and reimbursements	(236)	(236)	—
Less offsetting savings <sup>2</sup>	—	(20,642)	(20,642)
Total program costs	<u>\$ 32,449</u>	11,807	<u>\$ (20,642)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 11,807</u>	
<u>July 1, 2003, through June 30, 2004</u>			
Direct costs:			
Salaries and benefits	\$ 33,081	\$ 33,081	\$ —
Indirect costs	10,364	10,364	—
Total direct and indirect costs	43,445	43,445	—
Less offsetting revenues and reimbursements	(323)	(323)	—
Less offsetting savings <sup>2</sup>	—	(29,569)	(29,569)
Total program costs	<u>\$ 43,122</u>	13,553	<u>\$ (29,569)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 13,553</u>	



## Attachment 1 (continued)

Cost Elements	Actual Costs Claimed	Allowable per Review	Review Adjustment <sup>1</sup>
<u>July 1, 2004, through June 30, 2005</u>			
Direct costs:			
Salaries and benefits	\$ 32,326	\$ 32,326	\$ —
Indirect costs	11,800	11,800	—
Total direct and indirect costs	44,126	44,126	—
Less offsetting revenues and reimbursements	(602)	(602)	—
Less offsetting savings <sup>2</sup>	—	(31,734)	(31,734)
Total program costs	<u>\$ 43,524</u>	11,790	<u>\$ (31,734)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 11,790</u>	
<u>July 1, 2005, through June 30, 2006</u>			
Direct costs:			
Salaries and benefits	\$ 44,873	\$ 44,873	\$ —
Indirect costs	16,379	16,379	—
Total direct and indirect costs	61,252	61,252	—
Less offsetting revenues and reimbursements	(375)	(375)	—
Less offsetting savings <sup>2</sup>	—	(34,278)	(34,278)
Total program costs	<u>\$ 60,877</u>	26,599	<u>\$ (34,278)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 26,599</u>	
<u>July 1, 2006, through June 30, 2007</u>			
Direct costs:			
Salaries and benefits	\$ 37,480	\$ 37,480	\$ —
Indirect costs	13,681	13,681	—
Total direct and indirect costs	51,161	51,161	—
Less offsetting revenues and reimbursements	(710)	(710)	—
Less offsetting savings <sup>2</sup>	—	(37,027)	(37,027)
Total program costs	<u>\$ 50,451</u>	13,424	<u>\$ (37,027)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 13,424</u>	
<u>July 1, 2007, through June 30, 2008</u>			
Direct costs:			
Salaries and benefits	\$ 38,480	\$ 38,480	\$ —
Indirect costs	14,045	14,045	—
Total direct and indirect costs	52,525	52,525	—
Less offsetting revenues and reimbursements	(1,728)	(1,728)	—
Less offsetting savings <sup>2</sup>	—	(38,110)	(38,110)
Total program costs	<u>\$ 50,797</u>	12,687	<u>\$ (38,110)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 12,687</u>	

**Attachment 1 (continued)**

Cost Elements	Actual Costs Claimed	Allowable per Review	Review Adjustment <sup>1</sup>
<u>July 1, 2008, through June 30, 2009</u>			
Direct costs:			
Salaries and benefits	\$ 39,509	\$ 39,509	\$ —
Indirect costs	14,421	14,421	—
Total direct and indirect costs	53,930	53,930	—
Less offsetting revenues and reimbursements	(1,170)	(1,170)	—
Less offsetting savings <sup>2</sup>	—	(40,805)	(40,805)
Total program costs	<u>\$ 52,760</u>	11,955	<u>\$ (40,805)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 11,955</u>	
<u>July 1, 2009, through June 30, 2010</u>			
Direct costs:			
Salaries and benefits	\$ 39,939	\$ 39,939	\$ —
Indirect costs	12,685	12,685	—
Total direct and indirect costs	52,624	52,624	—
Less offsetting revenues and reimbursements	(846)	(846)	—
Less offsetting savings <sup>2</sup>	—	(42,729)	(42,729)
Total program costs	<u>\$ 51,778</u>	9,049	<u>\$ (42,729)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 9,049</u>	
<u>July 1, 2010, through June 30, 2011</u>			
Direct costs:			
Salaries and benefits	\$ 11,216	\$ 11,216	\$ —
Indirect costs	3,538	3,538	—
Total direct and indirect costs	14,754	14,754	—
Less offsetting revenues and reimbursements	(510)	(510)	—
Less offsetting savings <sup>2</sup>	—	(10,779)	(10,779)
Total program costs	<u>\$ 14,244</u>	3,465	<u>\$ (10,779)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 3,465</u>	

## Attachment 1 (continued)

Cost Elements	Actual Costs Claimed	Allowable per Review	Review Adjustment <sup>1</sup>
<u>Summary: July 1, 1999, through June 30, 2001; and July 1, 2003, through June 30, 2011</u>			
Direct costs:			
Salaries and benefits	\$ 309,404	\$ 309,404	\$ —
Fixed assets	25,015	25,015	—
Travel and training	323	323	—
Total direct costs	334,742	334,742	—
Indirect costs	108,744	108,744	—
Total direct and indirect costs	443,486	443,486	—
Less offsetting revenues and reimbursements	(6,967)	(6,967)	—
Less offsetting savings	—	(296,208)	(296,208)
Total program costs	<u>\$ 436,519</u>	140,311	<u>\$ (296,208)</u>
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 140,311</u>	

<sup>1</sup> See Attachment 3, Finding and Recommendation.

<sup>2</sup> See Attachment 2, Summary of Offsetting Savings Calculations.

**Attachment 2—  
Summary of Offsetting Savings Calculations  
July 1, 1999, through June 30, 2001;  
and July 1, 2003, through June 30, 2011**

Cost Elements	Offsetting Savings Reported	Offsetting Savings Realized			Review Adjustment <sup>1</sup>
		July - December	January - June	Total	
<u>July 1, 1999, through June 30, 2000</u>					
Reedley College:					
Maximum allowable diversion percentage		—	25.00%		
Actual diversion percentage	÷	—	÷	24.57%	
Allocated diversion percentage <sup>2</sup>		—	100.00%		
Tonnage diverted	x	—	x	(195.10)	
Statewide average landfill fee per ton	x	—	x	\$36.39	
Offsetting savings, Reedley College		—	(7,100)	(7,100)	
Fresno City College:					
Maximum allowable diversion percentage		—	25.00%		
Actual diversion percentage	÷	—	÷	53.39%	
Allocated diversion percentage		—	46.83%		
Tonnage diverted	x	—	x	(201.55)	
Statewide average landfill fee per ton	x	—	x	\$36.39	
Offsetting savings, Fresno City College		—	(3,435)	(3,435)	
Total offsetting savings, FY 1999-2000	\$ —	\$ —	\$ (10,535)	\$ (10,535)	\$ (10,535)
<u>July 1, 2000, through June 30, 2001</u>					
Reedley College:					
Maximum allowable diversion percentage		25.00%	25.00%		
Actual diversion percentage	÷	24.57%	÷	25.02%	
Allocated diversion percentage <sup>2</sup>		100.00%	99.92%		
Tonnage diverted	x	(195.10)	x	(183.50)	
Statewide average landfill fee per ton	x	\$36.39	x	\$36.39	
Offsetting savings, Reedley College		(7,100)	(6,672)	(13,772)	
Fresno City College:					
Maximum allowable diversion percentage		25.00%	25.00%		
Actual diversion percentage	÷	53.39%	÷	53.39%	
Allocated diversion percentage		46.83%	46.83%		
Tonnage diverted	x	(201.55)	x	(201.55)	
Statewide average landfill fee per ton	x	\$36.39	x	\$36.39	
Offsetting savings, Fresno City College		(3,435)	(3,435)	(6,870)	
Total offsetting savings, FY 2000-01	\$ —	\$ (10,535)	\$ (10,107)	\$ (20,642)	\$ (20,642)

## Attachment 2 (continued)

Cost Elements	Offsetting Savings Reported	Offsetting Savings Realized			Review Adjustment <sup>1</sup>
		July - December	January - June	Total	
<u>July 1, 2003, through June 30, 2004</u>					
Reedley College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	26.11%	÷	68.95%	
Allocated diversion percentage <sup>2</sup>		100.00%	72.52%		
Tonnage diverted	x	(203.20)	x	(316.40)	
Statewide average landfill fee per ton	x	\$36.83	x	\$38.42	
Offsetting savings, Reedley College		(7,484)	(8,816)	(16,300)	
Fresno City College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	53.59%	÷	50.70%	
Allocated diversion percentage		93.30%	98.62%		
Tonnage diverted	x	(176.90)	x	(189.75)	
Statewide average landfill fee per ton	x	\$36.83	x	\$38.42	
Offsetting savings, Fresno City College		(6,079)	(7,190)	(13,269)	
Total offsetting savings, FY 2003-04	\$ —	\$ (13,563)	\$ (16,006)	\$ (29,569)	\$ (29,569)
<u>July 1, 2004, through June 30, 2005</u>					
Reedley College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	68.95%	÷	69.65%	
Allocated diversion percentage		72.52%	71.79%		
Tonnage diverted	x	(316.40)	x	(324.75)	
Statewide average landfill fee per ton	x	\$38.42	x	\$39.00	
Offsetting savings, Reedley College		(8,816)	(9,092)	(17,908)	
Fresno City College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	50.70%	÷	55.23%	
Allocated diversion percentage		98.62%	90.53%		
Tonnage diverted	x	(189.75)	x	(187.95)	
Statewide average landfill fee per ton	x	\$38.42	x	\$39.00	
Offsetting savings, Fresno City College		(7,190)	(6,636)	(13,826)	
Total offsetting savings, FY 2004-05	\$ —	\$ (16,006)	\$ (15,728)	\$ (31,734)	\$ (31,734)

## Attachment 2 (continued)

Cost Elements	Offsetting Savings Reported	Offsetting Savings Realized			Review Adjustment <sup>1</sup>
		July - December	January - June	Total	
<u>July 1, 2005, through June 30, 2006</u>					
Reedley College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	69.65%	÷	69.25%	
Allocated diversion percentage		71.79%	72.20%		
Tonnage diverted	x	(324.75)	x	(319.80)	
Statewide average landfill fee per ton	x	\$39.00	x	\$46.00	
Offsetting savings, Reedley College		(9,092)	(10,621)	(19,713)	
Fresno City College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	55.23%	÷	55.04%	
Allocated diversion percentage		90.53%	90.84%		
Tonnage diverted	x	(187.95)	x	(189.75)	
Statewide average landfill fee per ton	x	\$39.00	x	\$46.00	
Offsetting savings, Fresno City College		(6,636)	(7,929)	(14,565)	
Total offsetting savings, FY 2005-06	\$ —	\$ (15,728)	\$ (18,550)	\$ (34,278)	\$ (34,278)
<u>July 1, 2006, through June 30, 2007</u>					
Reedley College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	69.25%	÷	67.69%	
Allocated diversion percentage		72.20%	73.87%		
Tonnage diverted	x	(319.80)	x	(293.35)	
Statewide average landfill fee per ton	x	\$46.00	x	\$48.00	
Offsetting savings, Reedley College		(10,621)	(10,401)	(21,022)	
Fresno City College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	55.04%	÷	51.44%	
Allocated diversion percentage		90.84%	97.20%		
Tonnage diverted	x	(189.75)	x	(173.10)	
Statewide average landfill fee per ton	x	\$46.00	x	\$48.00	
Offsetting savings, Fresno City College		(7,929)	(8,076)	(16,005)	
Total offsetting savings, FY 2006-07	\$ —	\$ (18,550)	\$ (18,477)	\$ (37,027)	\$ (37,027)

## Attachment 2 (continued)

Cost Elements	Offsetting Savings Reported	Offsetting Savings Realized			Review Adjustment <sup>1</sup>
		July - December	January - June	Total	
<u>July 1, 2007, through June 30, 2008</u>					
Reedley College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	67.69%	÷	67.69%	
Allocated diversion percentage		73.87%	73.87%		
Tonnage diverted	x	(293.35)	x	(293.35)	
Statewide average landfill fee per ton	x	\$48.00	x	\$51.00	
Offsetting savings, Reedley College		(10,401)	(11,052)	(21,453)	
Fresno City College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	51.44%	÷	51.44%	
Allocated diversion percentage		97.20%	97.20%		
Tonnage diverted	x	(173.10)	x	(173.10)	
Statewide average landfill fee per ton	x	\$48.00	x	\$51.00	
Offsetting savings, Fresno City College		(8,076)	(8,581)	(16,657)	
Total offsetting savings, FY 2007-08	\$ —	\$ (18,477)	\$ (19,633)	\$ (38,110)	\$ (38,110)
<u>July 1, 2008, through June 30, 2009</u>					
Reedley College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	67.69%	÷	67.69%	
Allocated diversion percentage		73.87%	73.87%		
Tonnage diverted	x	(293.35)	x	(293.35)	
Statewide average landfill fee per ton	x	\$51.00	x	\$55.00	
Offsetting savings, Reedley College		(11,052)	(11,918)	(22,970)	
Fresno City College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	51.44%	÷	51.44%	
Allocated diversion percentage		97.20%	97.20%		
Tonnage diverted	x	(173.10)	x	(173.10)	
Statewide average landfill fee per ton	x	\$51.00	x	\$55.00	
Offsetting savings, Fresno City College		(8,581)	(9,254)	(17,835)	
Total offsetting savings, FY 2008-09	\$ —	\$ (19,633)	\$ (21,172)	\$ (40,805)	\$ (40,805)

## Attachment 2 (continued)

Cost Elements	Offsetting Savings Reported	Offsetting Savings Realized			Review Adjustment <sup>1</sup>
		July - December	January - June	Total	
<u>July 1, 2009, through June 30, 2010</u>					
Reedley College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	67.69%	÷	67.69%	
Allocated diversion percentage		73.87%	73.87%		
Tonnage diverted	x	(293.35)	x	(293.35)	
Statewide average landfill fee per ton	x	\$55.00	x	\$56.00	
Offsetting savings, Reedley College		<u>(11,918)</u>	<u>(12,135)</u>	<u>(24,053)</u>	
Fresno City College:					
Maximum allowable diversion percentage		50.00%	50.00%		
Actual diversion percentage	÷	51.44%	÷	51.44%	
Allocated diversion percentage		97.20%	97.20%		
Tonnage diverted	x	(173.10)	x	(173.10)	
Statewide average landfill fee per ton	x	\$55.00	x	\$56.00	
Offsetting savings, Fresno City College		<u>(9,254)</u>	<u>(9,422)</u>	<u>(18,676)</u>	
Total offsetting savings, FY 2009-10	\$ —	<u>\$ (21,172)</u>	<u>\$ (21,557)</u>	<u>\$ (42,729)</u>	<u>\$ (42,729)</u>
<u>July 1, 2010, through June 30, 2011</u>					
Reedley College:					
Maximum allowable diversion percentage		50.00%	—		
Actual diversion percentage	÷	67.69%	÷	—	
Allocated diversion percentage		73.87%	—		
Tonnage diverted	x	(146.68)	x	—	
Statewide average landfill fee per ton	x	\$56.00	x	—	
Offsetting savings, Reedley College		<u>(6,068)</u>	<u>—</u>	<u>(6,068)</u>	
Fresno City College:					
Maximum allowable diversion percentage		50.00%	—		
Actual diversion percentage	÷	51.44%	÷	—	
Allocated diversion percentage		97.20%	—		
Tonnage diverted	x	(86.55)	x	—	
Statewide average landfill fee per ton	x	\$56.00	x	—	
Offsetting savings, Fresno City College		<u>(4,711)</u>	<u>—</u>	<u>(4,711)</u>	
Total offsetting savings, FY 2010-11	\$ —	<u>\$ (10,779)</u>	<u>\$ —</u>	<u>\$ (10,779)</u>	<u>\$ (10,779)</u>
Total offsetting savings: July 1, 1999, through June 30, 2001; and July 1, 2003, through June 30, 2011	\$ —	<u>\$ (144,443)</u>	<u>\$ (151,765)</u>	<u>\$ (296,208)</u>	<u>\$ (296,208)</u>

<sup>1</sup> See Attachment 3, Finding and Recommendation.

<sup>2</sup> Reedley College did not achieve the maximum allowable diversion percentage in 2000 and 2003. Therefore, 100% of the tonnage diverted is offsetting savings realized by the district as necessary to achieve the maximum allowable level.



**Attachment 3—  
Finding and Recommendation  
July 1, 1999, through June 30, 2001;  
and July 1, 2003, through June 30, 2011**

**FINDING—  
Unreported offsetting  
savings**

The district did not report any offsetting savings on its mandated cost claims for the review period. We determined that the district realized savings of \$296,208 from implementation of its integrated waste management (IWM) plan.

The following table summarizes the unreported offsetting savings by fiscal year:

Fiscal Year	Offsetting Savings Reported	Offsetting Savings Realized	Review Adjustment
1999-2000	\$ -	\$ (10,535)	\$ (10,535)
2000-01	-	(20,642)	(20,642)
2003-04	-	(29,569)	(29,569)
2004-05	-	(31,734)	(31,734)
2005-06	-	(34,278)	(34,278)
2006-07	-	(37,027)	(37,027)
2007-08	-	(38,110)	(38,110)
2008-09	-	(40,805)	(40,805)
2009-10	-	(42,729)	(42,729)
2010-11	-	(10,779)	(10,779)
Total	<u>\$ -</u>	<u>\$ (296,208)</u>	<u>\$ (296,208)</u>

On March 25, 2004, the Commission on State Mandates (CSM) adopted the statement of decision for the IWM Program. The CSM determined that Chapter 1116, Statutes of 1992; and Chapter 764, Statutes of 1999, imposed upon community college districts a state mandate reimbursable under Government Code section 17561, commencing July 1, 1999.

The program's parameters and guidelines establish the state mandate and define the reimbursement criteria. The CSM adopted the parameters and guidelines on March 30, 2005.

In March 2007, the Department of Finance and the IWM Board filed a petition for writ of mandate requesting the CSM to issue new parameters and guidelines that give full consideration to the community colleges' cost savings (e.g. avoided landfill disposal fees) and revenues (from recyclables) by complying with the test claim statutes. The Judgment and a Writ of Mandate were issued on June 30, 2008, ordering the CSM to amend the parameters and guidelines to require community college districts to identify and offset from their claims, cost savings realized as a result of implementing their plan.

On September 26, 2008, the CSM amended the parameters and guidelines to the original period of reimbursement because the court's decision interprets the test claim statutes as a question of law.

In compliance with Government Code section 17558, the State Controller's Office issues claiming instructions to assist community college districts in claiming mandated-program reimbursable costs.

The amended parameters and guidelines (section VIII – Offsetting Cost Savings) state:

Reduced or avoided costs realized from implementation of the community college districts' Integrated Waste Management Plans shall be identified and offset from this claim as cost savings, consistent with the direction for revenue in Public Contract Code sections 12167 and 12167.1.

Public Contract Code sections 12167 and 12167.1 require agencies in state-owned and state-leased buildings to deposit all revenues from the sale of recyclables into the IWM Account in the IWM Fund. The revenues are to be continuously appropriated to the Board for the purposes of offsetting recycling program costs. For the review period, the district did not deposit any revenue into the IWM Account in the IWM Fund. We have determined that the district had reduced or avoided costs realized from implementation of its IWM plan that it did not identify and offset from its claims as cost savings.

**Offsetting Savings Calculation**

The CSM's Final Staff Analysis of the proposed amendments to the parameters and guidelines (Item #8–CSM hearing of September 26, 2008) states:

...cost savings may be calculated from the annual solid waste disposal reduction or diversion rates that community colleges must annually report to the Board pursuant to Public Resources Code section 42926, subdivision (b)(1).

To compute the savings amount, we multiplied the allocated diversion percentage by the tonnage diverted, and by the avoided landfill disposal fee, as follows:

$$\begin{array}{rcccl}
 & & \text{Allocated Diversion \%} & & \\
 & & \overbrace{\hspace{1.5cm}} & & \\
 \text{Offsetting} & & \text{Maximum} & & \text{Avoided} \\
 \text{Savings} & = & \text{Allowable} & & \text{Landfill} \\
 \text{Realized} & = & \frac{\text{Diversion \%}}{\text{Actual Diversion \%}} & \times \text{Tonnage Diverted} & \times \text{Disposal Fee (per Ton)}
 \end{array}$$

This calculation determines the cost that the district did not incur for solid waste disposal as a result of implementing its IWM plan. The

offsetting savings calculation is presented in Attachment 2 – Summary of Offsetting Savings Calculations.

*Allocated Diversion Percentage*

Public Resource Code 42921 requires districts to achieve a solid waste diversion percentage of 25% beginning January 1, 2002, and a 50% diversion percentage by January 1, 2004. The parameters and guidelines state that districts will be reimbursed for all mandated costs incurred to achieve these levels, without reduction when they fall short of stated goals, but not for amounts used to exceed these state-mandated levels. Therefore, we allocated the offsetting savings to be consistent with the requirements of the mandated program.

For calendar years 2001 through 2007, we used the actual diversion percentage reported by the district to CalRecycle (formerly the IWM Board) pursuant to Public Resources Code section 42926, subdivision (b)(1).

In 2000, Fresno City College’s Waste Management Annual Report states that the annual report has not been finalized. For both FY 1999-2000 and FY 2000-01, the district claimed costs for diversion activities; therefore, we used the 2001 diversion percentage to calculate the offsetting savings for FY 1999-2000 and FY 2000-01. The district did not provide documentation supporting a different diversion percentage.

In 2008, CalRecycle began focusing on “per-capita disposal” instead of a “diversion percentage.” As a result, CalRecycle stopped requiring community college districts to report the actual amount of tonnage diverted. Consequently, the annual reports no longer identify a “diversion percentage.” Therefore, we used the 2007 diversion percentage to calculate the offsetting savings for FY 2007-08, FY 2008-09, FY 2009-10, and FY 2010-11. The district did not provide documentation supporting a different diversion percentage.

*Tonnage Diverted*

The tonnage diverted is solid waste that the district recycled, composted, and kept out of the landfill.

For calendar years 2001 through 2007, we used the actual tonnage diverted, as reported by the district to CalRecycle pursuant to Public Resources Code section 42926, subdivision (b)(1).

As previously noted, in 2000, Fresno City College’s Waste Management Annual Report states that the annual report has not been finalized. For both FY 1999-2000 and FY 2000-01, the district claimed costs for diversion activities; therefore, we used the 2001 tonnage diverted amount to calculate the offsetting savings for FY 1999-2000 and FY 2000-01. The district did not provide documentation supporting a different tonnage diverted amount.

As previously noted, in 2008, CalRecycle stopped requiring community college districts to report the actual amount of tonnage diverted. Therefore, we used the tonnage diverted in 2007 to calculate the

offsetting savings for FY 2007-08, FY 2008-09, FY 2009-10, and FY 2010-11. The district did not provide documentation supporting a different tonnage diversion amount.

*Avoided Landfill Disposal Fee (per Ton)*

The avoided landfill disposal fee is used to calculate realized savings because the district no longer incurs a cost to dispose of the diverted tonnage at the landfill. For each fiscal year in the review period, we used the statewide average disposal fee provided by CalRecycle. The district did not provide documentation supporting a different disposal fee.

Recommendation

We recommend that the district offset all savings realized from implementation of the community college district's IWM plan.



BEFORE THE  
COMMISSION ON STATE MANDATES  
STATE OF CALIFORNIA

IN RE TEST CLAIM ON:

Public Resources Code Sections 40148,  
40196.3, 42920, 42921, 42922, 42923,  
42924, 42925, 42926, 42927, and 42928;  
Public Contract Code Sections 12167 and  
12167.1;

Statutes 1999, Chapter 764 (AB 75);  
Statutes 1992, Chapter 1116 (A.B. 3521);

*State Agency Model Integrated Waste  
Management Plan* (February 2000).

Filed on March 9, 2001,

By Santa Monica and South Lake Tahoe  
Community College Districts, Co-claimants

No. 00-TC-07

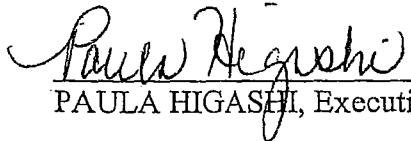
*Integrated Waste Management*

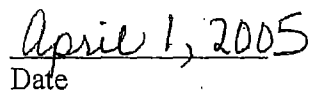
ADOPTION OF PARAMETERS AND  
GUIDELINES PURSUANT TO  
GOVERNMENT CODE SECTION 17557 AND  
TITLE 2, CALIFORNIA CODE OF  
REGULATIONS, SECTION 1183.12

*(Adopted on March 30, 2005)*

**PARAMETERS AND GUIDELINES**

On March 30, 2005, the Commission on State Mandates adopted the attached Parameters and Guidelines.

  
\_\_\_\_\_  
PAULA HIGASHI, Executive Director

  
\_\_\_\_\_  
Date

## PARAMETERS AND GUIDELINES

Public Resources Code Sections 40148, 40196.3, 42920-42928

Public Contract Code Sections 12167 and 12167.1

Statutes 1999, Chapter 764 (A.B. 75)

Statutes 1992, Chapter 1116 (A.B. 3521)

State Agency Model Integrated Waste Management Plan (February 2000)

*Integrated Waste Management (00-TC-07)*

Santa Monica and Lake Tahoe Community College Districts, Co-claimants

### I. SUMMARY OF THE MANDATE

On March 25, 2004, the Commission on State Mandates (Commission) adopted its Statement of Decision finding that Public Resources Code sections 40148, 40196.3, 42920-42928; Public Contract Code sections 12167 and 12167.1; and the State Agency Model Integrated Waste Management Plan (February 2000) require new activities, as specified below, which constitute new programs or higher levels of service for community college districts within the meaning of article XIII B, section 6, of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514.

Specifically, the Commission approved this test claim for the increased costs of performing the following specific new activities:

- **Comply with the model plan (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000):** A community college must comply with the California Integrated Waste Management Board's (Board) model integrated waste management plan, which includes consulting with the Board to revise the model plan, as well as completing and submitting to the Board the following: (1) state agency or large state facility information form; (2) state agency list of facilities; (3) state agency waste reduction and recycling program worksheet, including the sections on program activities, promotional programs, and procurement activities; and (4) state agency integrated waste management plan questions.
- **Designate a solid waste reduction and recycling coordinator (Pub. Resources Code, § 42920, subd. (c)):** A community college must designate one solid waste reduction and recycling coordinator to perform new duties imposed by chapter 18.5 (Pub. Resources Code, §§ 42920 – 42928), including implementing the community college's integrated waste management plan, and acting as a liaison to other state agencies (as defined by section 40196.3) and coordinators.
- **Divert solid waste (Pub. Resources Code, §§ 42921 & 42922, subd. (i)):** A community college must divert at least 25 percent of all its solid waste from landfill disposal or transformation facilities by January 1, 2002, through source reduction, recycling, and

composting activities, and divert at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004, through source reduction, recycling, and composting.

A community college unable to comply with this diversion requirement may instead seek, until December 31, 2005, either an alternative requirement or time extension (but not both) as specified below:

- **Seek an alternative requirement (Pub. Resources Code, §§ 42927 & 42922, subs. (a) & (b)):** A community college that is unable to comply with the 50-percent diversion requirement must: (1) notify the Board in writing, detailing the reasons for its inability to comply; (2) request of the Board an alternative to the 50-percent requirement; (3) participate in a public hearing on its alternative requirement; (4) provide the Board with information as to (a) the community college's good faith efforts to effectively implement the source reduction, recycling, and composting measures described in its integrated waste management plan, and demonstration of its progress toward meeting the alternative requirement as described in its annual reports to the Board; (b) the community college's inability to meet the 50-percent diversion requirement despite implementing the measures in its plan; (c) the alternative source reduction, recycling, and composting requirement represents the greatest diversion amount that the community college may reasonably and feasibly achieve, and (d) relate to the Board circumstances that support the request for an alternative requirement, such as waste disposal patterns and the types of waste disposed by the community college.
- **Seek a time extension (Pub. Resources Code, §§ 42927 & 42923 subs. (a) & (c)):** A community college that is unable to comply with the January 1, 2002 deadline to divert 25 percent of its solid waste, must do the following pursuant to section 42923, subdivisions (a) and (c): (1) notify the Board in writing, detailing the reasons for its inability to comply; (2) request of the Board an alternative to the January 1, 2002 deadline; (3) provide evidence to the Board that it is making a good faith effort to implement the source reduction, recycling, and composting programs identified in its integrated waste management plan; and (4) provide information to the Board that describes the relevant circumstances that contributed to the request for extension, such as lack of markets for recycled materials, local efforts to implement source reduction, recycling and composting programs, facilities built or planned, waste disposal patterns, and the type of waste disposed of by the community college. (5) The community college must also submit a plan of correction that demonstrates that it will meet the requirements of Section 42921 [the 25 and 50 percent diversion requirements] before the time extension expires, including the source reduction, recycling, or composting steps the community college will implement, a date prior to the expiration of the time extension when the requirements of Section 42921 will be met, the existing programs that it will modify, any new programs that will be implemented to meet those requirements, and the means by which these programs will be funded.



- **Report to the Board (Pub. Resources Code, §§ 42926, subd. (a) & 42922, subd. (i)):** A community college must annually submit, by April 1, 2002 and by April 1 each subsequent year, a report to the Board summarizing its progress in reducing solid waste. The information in the report is to encompass the previous calendar year and shall contain, at a minimum, the following as outlined in section 42926, subdivision (b): (1) calculations of annual disposal reduction; (2) information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors; (3) a summary of progress implementing the integrated waste management plan; (4) the extent to which the community college intends to use programs or facilities established by the local agency for handling, diversion, and disposal of solid waste. (If the college does not intend to use those established programs or facilities, it must identify sufficient disposal capacity for solid waste that is not source reduced, recycled or composted.) (5) For a community college that has been granted a time extension by the Board, it shall include a summary of progress made in meeting the integrated waste management plan implementation schedule pursuant to section 42921, subdivision (b), and complying with the college's plan of correction, before the expiration of the time extension. (6) For a community college that has been granted an alternative source reduction, recycling, and composting requirement by the Board pursuant to section 42922, it shall include a summary of progress made towards meeting the alternative requirement as well as an explanation of current circumstances that support the continuation of the alternative requirement.
- **Submit recycled material reports (Pub. Contract Code, § 12167.1):** A community college must annually report to the Board on quantities of recyclable materials collected for recycling.

## II. ELIGIBLE CLAIMANTS

Community college districts that incur increased costs as a result of this mandate are eligible to claim reimbursement.

## III. PERIOD OF REIMBURSEMENT

Government Code section 17557 states that a test claim must be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The test claim for this mandate was filed on March 9, 2001. Therefore, costs incurred for compliance with Public Contract Code sections 12167 and 12167.1 (Stats. 1992, ch. 1116) are eligible for reimbursement on or after July 1, 1999. However, because of the statute's operative date, all other costs incurred pursuant to Statutes 1999, chapter 764 are eligible for reimbursement on or after January 1, 2000.

Seeking an alternative diversion goal or time extension (Pub. Resources Code, §§ 42922, 42923, and 42927) is reimbursable until December 31, 2005.

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 Government Code section 17561, subdivision (d), all claims for reimbursement of initial years' costs shall be submitted within 120 days of the issuance of the claiming instructions by the State Controller.

If the total costs for a given fiscal year do not exceed \$1000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

#### IV. REIMBURSABLE ACTIVITIES

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

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

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

For each eligible claimant, the following activities are reimbursable:

##### A. One-Time Activities (*Reimbursable starting January 1, 2000*)

1. Develop the necessary district policies and procedures for the implementation of the integrated waste management plan.
2. Train district staff on the requirements and implementation of the integrated waste management plan (one-time per employee). Training is limited to the staff working directly on the plan.

##### B. Ongoing Activities (*Reimbursable starting January 1, 2000*)

1. Complete and submit to the Board the following as part of the State Agency Model Integrated Waste Management Plan (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.):
  - a. state agency or large state facility information form;
  - b. state agency list of facilities;
  - c. state agency waste reduction and recycling program worksheets that describe program activities, promotional programs, and procurement activities, and other questionnaires; and
  - d. state agency integrated waste management plan questions.

NOTE: Although reporting on promotional programs and procurement activities in the model plan is reimbursable, implementing promotional programs and procurement

activities is not.

2. Respond to any Board reporting requirements during the approval process. (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.)
3. Consult with the Board to revise the model plan, if necessary.<sup>1</sup> (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.)
4. Designate one solid waste reduction and recycling coordinator ("coordinator") for each college in the district to perform new duties imposed by chapter 18.5 (Pub. Resources Code, §§ 42920 – 42928). The coordinator shall implement the integrated waste management plan. The coordinator shall act as a liaison to other state agencies (as defined by section 40196.3) and coordinators. (Pub. Resources Code, § 42920, subd. (c).)
5. Divert at least 25 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2002, and at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004, through source reduction, recycling, and composting activities. Maintain the required level of reduction, as approved by the Board. (Pub. Resources Code, §§ 42921 & 42922, subd. (i).)

C. Alternative Compliance (*Reimbursable from January 1, 2000 – December 31, 2005*)

1. Seek either an alternative requirement or time extension if a community college is unable to comply with the January 1, 2002 deadline to divert 25 percent of its solid waste, by doing the following: (Pub. Resources Code, §§ 42927 & 42923 subds. (a) & (c).)
  - a. Notify the Board in writing, detailing the reasons for its inability to comply.
  - b. Request of the Board an alternative to the January 1, 2002 deadline.
  - c. Provide evidence to the Board that the college is making a good faith effort to implement the source reduction, recycling, and composting programs identified in its integrated waste management plan.
  - d. Provide information that describes the relevant circumstances that contributed to the request for extension, such as lack of markets for recycled materials, local efforts to implement source reduction, recycling and composting programs, facilities built or planned, waste disposal patterns, and the type of waste disposed of by the community college.
  - e. Submit a plan of correction that demonstrates that the college will meet the requirements of Section 42921 [the 25 and 50 percent diversion requirements] before the time extension expires, including the source reduction, recycling, or composting steps the community college will implement, a date prior to the expiration of the time extension when the requirements of Section 42921 will be met, the existing programs that it will modify, any new programs that will be

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<sup>1</sup> Attachment 1, California Integrated Waste Management Board, State Agency Model Integrated Waste Management Plan (February 2000).

implemented to meet those requirements, and the means by which these programs will be funded.

2. Seek either an alternative requirement or time extension if a community college is unable to comply with the January 1, 2004 deadline to divert 50 percent of its solid waste, by doing the following: (Pub. Resources Code, §§ 42927 & 42922, subs. (a) & (b).)
  - a. Notify the Board in writing, detailing the reasons for its inability to comply.
  - b. Request of the Board an alternative to the 50-percent requirement.
  - c. Participate in a public hearing on its alternative requirement.
  - d. Provide the Board with information as to:
    - (i) the community college's good faith efforts to implement the source reduction, recycling, and composting measures described in its integrated waste management plan, and demonstration of its progress toward meeting the alternative requirement as described in its annual reports to the Board;
    - (ii) the community college's inability to meet the 50 percent diversion requirement despite implementing the measures in its plan;
    - (iii) how the alternative source reduction, recycling, and composting requirement represents the greatest diversion amount that the community college may reasonably and feasibly achieve; and,
    - (iv) the circumstances that support the request for an alternative requirement, such as waste disposal patterns and the types of waste disposed by the community college.

D. Accounting System (*Reimbursable starting January 1, 2000*)

Developing, implementing, and maintaining an accounting system to enter and track the college's source reduction, recycling and composting activities, the cost of those activities, the proceeds from the sale of any recycled materials, and such other accounting systems which will allow it to make its annual reports to the state and determine waste reduction. Note: only the pro-rata portion of the costs incurred to implement the reimbursable activities can be claimed.

E. Annual Report (*Reimbursable starting January 1, 2000*)

Annually prepare and submit, by April 1, 2002, and by April 1 each subsequent year, a report to the Board summarizing its progress in reducing solid waste. The information in the report must encompass the previous calendar year and shall contain, at a minimum, the following as outlined in section 42926, subdivision (b): (Pub. Resources Code, §§ 42926, subd. (a) & 42922, subd. (i).)

1. calculations of annual disposal reduction;
2. information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors;
3. a summary of progress made in implementing the integrated waste management plan;

4. the extent to which the community college intends to use programs or facilities established by the local agency for handling, diversion, and disposal of solid waste (If the college does not intend to use those established programs or facilities, it must identify sufficient disposal capacity for solid waste that is not source reduced, recycled or composted.);
5. for a community college that has been granted a time extension by the Board, it shall include a summary of progress made in meeting the integrated waste management plan implementation schedule pursuant to section 42921, subdivision (b), and complying with the college's plan of correction, before the expiration of the time extension;
6. for a community college that has been granted an alternative source reduction, recycling, and composting requirement by the Board pursuant to section 42922, it shall include a summary of progress made towards meeting the alternative requirement as well as an explanation of current circumstances that support the continuation of the alternative requirement.

F. Annual Recycled Material Reports (*Reimbursable starting July 1, 1999*)

Annually report to the Board on quantities of recyclable materials collected for recycling. (Pub. Contract Code, § 12167.1.) (See Section VII. regarding offsetting revenues from recyclable materials.)

**V. CLAIM PREPARATION AND SUBMISSION**

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

1. **Salaries and Benefits**

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

2. **Materials and Supplies**

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

### 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

### 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

### 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

## B. Indirect Cost Rates

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

Community colleges have the option of using: (1) a federally approved rate, utilizing the cost accounting principles from the Office of Management and Budget Circular A-21, "Cost Principles of Educational Institutions"; (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.

## **VI. RECORD RETENTION**

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

## **VII. OFFSETTING REVENUES AND REIMBURSEMENTS**

Reimbursement for this mandate from any source, including but not limited to, services fees collected, federal funds, and other state funds allocated to any service provided under this program, shall be identified and deducted from this claim. Offsetting revenue shall include the revenues cited in Public Resources Code section 42925 and Public Contract Code sections 12167 and 12167.1.

Subject to the approval of the California Integrated Waste Management Board, revenues derived from the sale of recyclable materials by a community college that do not exceed two thousand dollars (\$2,000) annually are continuously appropriated for expenditure by the community college for the purpose of offsetting recycling program costs. Revenues exceeding two thousand dollars (\$2,000) annually may be available for expenditure by the community college only when appropriated by the Legislature. To the extent so approved or appropriated and applied to the college, these amounts are a reduction to the recycling costs mandated by the state to implement Statutes 1999, chapter 764.

In addition, revenue from a building-operating fee imposed pursuant to Education Code section 76375, subdivision (a) if received by a claimant and the revenue is applied to this program, shall be deducted from the costs claimed.

## **VIII. STATE CONTROLLER'S CLAIMING INSTRUCTIONS**

Pursuant to Government Code section 17558, subdivision (b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

**IX. REMEDIES BEFORE THE COMMISSION**

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

**X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES**

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.





BEFORE THE  
COMMISSION ON STATE MANDATES  
STATE OF CALIFORNIA

IN RE TEST CLAIM ON:

Public Resources Code Sections 40148, 40196.3, 42920, 42921, 42922, 42923, 42924, 42925, 42926, 42927, and 42928; Public Contract Code Sections 12167 and 12167.1;

Statutes 1999, Chapter 764 (AB 75); Statutes 1992, Chapter 1116 (A.B. 3521);

*State Agency Model Integrated Waste Management Plan* (February 2000).

Filed on March 9, 2001,

By Santa Monica and South Lake Tahoe Community College Districts, Co-claimants

No. 00-TC-07

*Integrated Waste Management*

ADOPTION OF AMENDMENTS TO PARAMETERS AND GUIDELINES PURSUANT TO DECISION OF THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SACRAMENTO, No. 07CS00355, *State of California, Department of Finance, and California Integrated Waste Management Board v. Commission on State Mandates, et al.*

(Adopted: September 26, 2008)

**AMENDED PARAMETERS AND GUIDELINES**

On September 26, 2008, the Commission on State Mandates adopted the attached Amendments to the Parameters and Guidelines, as directed by the Superior Court of California, County of Sacramento, No. 07CS00355.

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PAULA HIGASHI, Executive Director

Date: September 29, 2008

Amended: September 26, 2008  
Adopted: March 30, 2005

## AMENDMENTS TO PARAMETERS AND GUIDELINES

Public Resources Code Sections 40148, 40196.3, 42920-42928  
Public Contract Code Sections 12167 and 12167.1

Statutes 1999, Chapter 764 (A.B. 75)  
Statutes 1992, Chapter 1116 (A.B. 3521)

State Agency Model Integrated Waste Management Plan (February 2000)

*Integrated Waste Management*  
00-TC-07

Santa Monica and Lake Tahoe Community College Districts, Co-claimants

### I. SUMMARY OF THE MANDATE

On March 25, 2004, the Commission on State Mandates (Commission) adopted its Statement of Decision finding that Public Resources Code sections 40148, 40196.3, 42920-42928; Public Contract Code sections 12167 and 12167.1; and the State Agency Model Integrated Waste Management Plan (February 2000) require new activities, as specified below, which constitute new programs or higher levels of service for community college districts within the meaning of article XIII B, section 6, of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514.

Specifically, the Commission approved this test claim for the increased costs of performing the following specific new activities:

- **Comply with the model plan (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000):** A community college must comply with the California Integrated Waste Management Board's (Board) model integrated waste management plan, which includes consulting with the Board to revise the model plan, as well as completing and submitting to the Board the following: (1) state agency or large state facility information form; (2) state agency list of facilities; (3) state agency waste reduction and recycling program worksheet, including the sections on program activities, promotional programs, and procurement activities; and (4) state agency integrated waste management plan questions.
- **Designate a solid waste reduction and recycling coordinator (Pub. Resources Code, § 42920, subd. (c)):** A community college must designate one solid waste reduction and recycling coordinator to perform new duties imposed by chapter 18.5 (Pub. Resources Code, §§ 42920 – 42928), including implementing the community college's integrated waste management plan, and acting as a liaison to other state agencies (as defined by section 40196.3) and coordinators.

- **Divert solid waste (Pub. Resources Code, §§ 42921 & 42922, subd. (i)):** A community college must divert at least 25 percent of all its solid waste from landfill disposal or transformation facilities by January 1, 2002, through source reduction, recycling, and composting activities, and divert at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004, through source reduction, recycling, and composting.

A community college unable to comply with this diversion requirement may instead seek, until December 31, 2005, either an alternative requirement or time extension (but not both) as specified below:

- **Seek an alternative requirement (Pub. Resources Code, §§ 42927 & 42922, subds. (a) & (b)):** A community college that is unable to comply with the 50-percent diversion requirement must: (1) notify the Board in writing, detailing the reasons for its inability to comply; (2) request of the Board an alternative to the 50-percent requirement; (3) participate in a public hearing on its alternative requirement; (4) provide the Board with information as to (a) the community college's good faith efforts to effectively implement the source reduction, recycling, and composting measures described in its integrated waste management plan, and demonstration of its progress toward meeting the alternative requirement as described in its annual reports to the Board; (b) the community college's inability to meet the 50-percent diversion requirement despite implementing the measures in its plan; (c) the alternative source reduction, recycling, and composting requirement represents the greatest diversion amount that the community college may reasonably and feasibly achieve, and (d) relate to the Board circumstances that support the request for an alternative requirement, such as waste disposal patterns and the types of waste disposed by the community college.
- **Seek a time extension (Pub. Resources Code, §§ 42927 & 42923 subds. (a) & (c)):** A community college that is unable to comply with the January 1, 2002 deadline to divert 25 percent of its solid waste, must do the following pursuant to section 42923, subdivisions (a) and (c): (1) notify the Board in writing, detailing the reasons for its inability to comply; (2) request of the Board an alternative to the January 1, 2002 deadline; (3) provide evidence to the Board that it is making a good faith effort to implement the source reduction, recycling, and composting programs identified in its integrated waste management plan; and (4) provide information to the Board that describes the relevant circumstances that contributed to the request for extension, such as lack of markets for recycled materials, local efforts to implement source reduction, recycling and composting programs, facilities built or planned, waste disposal patterns, and the type of waste disposed of by the community college. (5) The community college must also submit a plan of correction that demonstrates that it will meet the requirements of Section 42921 [the 25 and 50 percent diversion requirements] before the time extension expires, including the source reduction, recycling, or composting steps the community college will implement, a date prior to the expiration of the time extension when the requirements of Section 42921 will be met, the existing programs that it will modify, any new programs that will be

implemented to meet those requirements, and the means by which these programs will be funded.

- **Report to the Board (Pub. Resources Code, §§ 42926, subd. (a) & 42922, subd. (i)):** A community college must annually submit, by April 1, 2002 and by April 1 each subsequent year, a report to the Board summarizing its progress in reducing solid waste. The information in the report is to encompass the previous calendar year and shall contain, at a minimum, the following as outlined in section 42926, subdivision (b): (1) calculations of annual disposal reduction; (2) information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors; (3) a summary of progress implementing the integrated waste management plan; (4) the extent to which the community college intends to use programs or facilities established by the local agency for handling, diversion, and disposal of solid waste. (If the college does not intend to use those established programs or facilities, it must identify sufficient disposal capacity for solid waste that is not source reduced, recycled or composted.) (5) For a community college that has been granted a time extension by the Board, it shall include a summary of progress made in meeting the integrated waste management plan implementation schedule pursuant to section 42921, subdivision (b), and complying with the college's plan of correction, before the expiration of the time extension. (6) For a community college that has been granted an alternative source reduction, recycling, and composting requirement by the Board pursuant to section 42922, it shall include a summary of progress made towards meeting the alternative requirement as well as an explanation of current circumstances that support the continuation of the alternative requirement.
- **Submit recycled material reports (Pub. Contract Code, § 12167.1):** A community college must annually report to the Board on quantities of recyclable materials collected for recycling.

State of California, Department of Finance, California Integrated Waste Management Board v. Commission on State Mandates, et al. (Sacramento County Superior Court, Case No. 07CS00355)

The Department of Finance and the Integrated Waste Management Board filed a petition for writ of mandate in March 2007, asking the court to set aside the Commission's decision granting the test claim and to require the Commission to issue a new Statement of Decision and parameters and guidelines that give full consideration to the community colleges' cost savings (e.g. avoided landfill disposal fees) and revenues (from recyclables) by complying with the test claim statutes. Petitioners' position was that the Commission had not properly accounted for all the offsetting cost savings from avoided disposal costs, or offsetting revenues from the sale of recyclable materials, in the Statement of Decision or parameters and guidelines. The Judgment and a Writ of Mandate were issued on June 30, 2008, ordering the Commission to:

1. amend the parameters and guidelines in Test Claim No. 00-TC-07 to require community college districts claiming reimbursable costs of an integrated waste management plan under Public Resources Code section 42920, et seq. to identify and offset from their claims, consistent with the directions for revenue in Public Contract code sections 12167 and 12167.1, cost savings realized as a result of implementing their plans; and

2. amend the parameters and guidelines in Test Claim No. 00-TC-07 to require community college districts claiming reimbursable costs of an integrated waste management plan under Public Resources Code section 42920, et seq. to identify and offset from their claims all of the revenue generated as a result of implementing their plans, without regard to the limitations or conditions described in sections 12167 and 12167.1 of the Public Contract Code.

## **II. ELIGIBLE CLAIMANTS**

Community college districts that incur increased costs as a result of this mandate are eligible to claim reimbursement.

## **III. PERIOD OF REIMBURSEMENT**

Government Code section 17557 states that a test claim must be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The test claim for this mandate was filed on March 9, 2001. Therefore, costs incurred for compliance with Public Contract Code sections 12167 and 12167.1 (Stats. 1992, ch. 1116) are eligible for reimbursement on or after July 1, 1999. However, because of the statute's operative date, all other costs incurred pursuant to Statutes 1999, chapter 764 are eligible for reimbursement on or after January 1, 2000.

Seeking an alternative diversion goal or time extension (Pub. Resources Code, §§ 42922, 42923, and 42927) is reimbursable until December 31, 2005.

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

If the total costs for a given fiscal year do not exceed \$1000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

## **IV. REIMBURSABLE ACTIVITIES**

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

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

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

For each eligible claimant, the following activities are reimbursable:

A. One-Time Activities (*Reimbursable starting January 1, 2000*)

1. Develop the necessary district policies and procedures for the implementation of the integrated waste management plan.
2. Train district staff on the requirements and implementation of the integrated waste management plan (one-time per employee). Training is limited to the staff working directly on the plan.

B. Ongoing Activities (*Reimbursable starting January 1, 2000*)

1. Complete and submit to the Board the following as part of the State Agency Model Integrated Waste Management Plan (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.):
  - a. state agency or large state facility information form;
  - b. state agency list of facilities;
  - c. state agency waste reduction and recycling program worksheets that describe program activities, promotional programs, and procurement activities, and other questionnaires; and
  - d. state agency integrated waste management plan questions.

NOTE: Although reporting on promotional programs and procurement activities in the model plan is reimbursable, implementing promotional programs and procurement activities is not.

2. Respond to any Board reporting requirements during the approval process. (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.)
3. Consult with the Board to revise the model plan, if necessary.<sup>1</sup> (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.)
4. Designate one solid waste reduction and recycling coordinator ("coordinator") for each college in the district to perform new duties imposed by chapter 18.5 (Pub. Resources Code, §§ 42920 – 42928). The coordinator shall implement the integrated waste management plan. The coordinator shall act as a liaison to other state agencies (as defined by section 40196.3) and coordinators. (Pub. Resources Code, § 42920, subd. (c).)

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<sup>1</sup> Attachment 1, California Integrated Waste Management Board, State Agency Model Integrated Waste Management Plan (February 2000).

5. Divert at least 25 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2002, and at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004, through source reduction, recycling, and composting activities. Maintain the required level of reduction, as approved by the Board. (Pub. Resources Code, §§ 42921 & 42922, subd. (i).)

C. Alternative Compliance (*Reimbursable from January 1, 2000 – December 31, 2005*)

1. Seek either an alternative requirement or time extension if a community college is unable to comply with the January 1, 2002 deadline to divert 25 percent of its solid waste, by doing the following: (Pub. Resources Code, §§ 42927 & 42923 subds. (a) & (c).)
  - a. Notify the Board in writing, detailing the reasons for its inability to comply.
  - b. Request of the Board an alternative to the January 1, 2002 deadline.
  - c. Provide evidence to the Board that the college is making a good faith effort to implement the source reduction, recycling, and composting programs identified in its integrated waste management plan.
  - d. Provide information that describes the relevant circumstances that contributed to the request for extension, such as lack of markets for recycled materials, local efforts to implement source reduction, recycling and composting programs, facilities built or planned, waste disposal patterns, and the type of waste disposed of by the community college.
  - e. Submit a plan of correction that demonstrates that the college will meet the requirements of Section 42921 [the 25 and 50 percent diversion requirements] before the time extension expires, including the source reduction, recycling, or composting steps the community college will implement, a date prior to the expiration of the time extension when the requirements of Section 42921 will be met, the existing programs that it will modify, any new programs that will be implemented to meet those requirements, and the means by which these programs will be funded.
2. Seek either an alternative requirement or time extension if a community college is unable to comply with the January 1, 2004 deadline to divert 50 percent of its solid waste, by doing the following: (Pub. Resources Code, §§ 42927 & 42922, subds. (a) & (b).)
  - a. Notify the Board in writing, detailing the reasons for its inability to comply.
  - b. Request of the Board an alternative to the 50-percent requirement.
  - c. Participate in a public hearing on its alternative requirement.
  - d. Provide the Board with information as to:
    - (i) the community college's good faith efforts to implement the source reduction, recycling, and composting measures described in its integrated waste management plan, and demonstration of its progress toward meeting the alternative requirement as described in its annual reports to the Board;
    - (ii) the community college's inability to meet the 50 percent diversion requirement despite implementing the measures in its plan;



- (iii) how the alternative source reduction, recycling, and composting requirement represents the greatest diversion amount that the community college may reasonably and feasibly achieve; and,
- (iv) the circumstances that support the request for an alternative requirement, such as waste disposal patterns and the types of waste disposed by the community college.

D. Accounting System (*Reimbursable starting January 1, 2000*)

Developing, implementing, and maintaining an accounting system to enter and track the college's source reduction, recycling and composting activities, the cost of those activities, the proceeds from the sale of any recycled materials, and such other accounting systems which will allow it to make its annual reports to the state and determine waste reduction.

Note: only the pro-rata portion of the costs incurred to implement the reimbursable activities can be claimed.

E. Annual Report (*Reimbursable starting January 1, 2000*)

Annually prepare and submit, by April 1, 2002, and by April 1 each subsequent year, a report to the Board summarizing its progress in reducing solid waste. The information in the report must encompass the previous calendar year and shall contain, at a minimum, the following as outlined in section 42926, subdivision (b): (Pub. Resources Code, §§ 42926, subd. (a) & 42922, subd. (i).)

1. calculations of annual disposal reduction;
2. information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors;
3. a summary of progress made in implementing the integrated waste management plan;
4. the extent to which the community college intends to use programs or facilities established by the local agency for handling, diversion, and disposal of solid waste (If the college does not intend to use those established programs or facilities, it must identify sufficient disposal capacity for solid waste that is not source reduced, recycled or composted.);
5. for a community college that has been granted a time extension by the Board, it shall include a summary of progress made in meeting the integrated waste management plan implementation schedule pursuant to section 42921, subdivision (b), and complying with the college's plan of correction, before the expiration of the time extension;
6. for a community college that has been granted an alternative source reduction, recycling, and composting requirement by the Board pursuant to section 42922, it shall include a summary of progress made towards meeting the alternative requirement as well as an explanation of current circumstances that support the continuation of the alternative requirement.

F. Annual Recycled Material Reports (*Reimbursable starting July 1, 1999*)

Annually report to the Board on quantities of recyclable materials collected for recycling. (Pub. Contract Code, § 12167.1.)

**V. CLAIM PREPARATION AND SUBMISSION**

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element

A.1., Salaries and Benefits, for each applicable reimbursable activity.

#### 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1., Salaries and Benefits, and A.2., Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3., Contracted Services.

#### B. Indirect Cost Rates

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

Community colleges have the option of using: (1) a federally approved rate, utilizing the cost accounting principles from the Office of Management and Budget Circular A-21, "Cost Principles of Educational Institutions"; (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.

### VI. RECORD RETENTION

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

### VII. OFFSETTING REVENUES AND REIMBURSEMENTS

Reimbursement for this mandate from any source, including but not limited to, services fees

collected, federal funds, and other state funds allocated to any service provided under this program, shall be identified and offset from this claim. Offsetting revenue shall include all revenues generated from implementing the Integrated Waste Management Plan.

In addition, revenue from a building-operating fee imposed pursuant to Education Code section 76375, subdivision (a) if received by a claimant and the revenue is applied to this program, shall be deducted from the costs claimed.

#### **VIII. OFFSETTING COST SAVINGS**

Reduced or avoided costs realized from implementation of the community college districts' Integrated Waste Management plans shall be identified and offset from this claim as cost savings, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1. Pursuant to these statutes, community college districts are required to deposit cost savings resulting from their Integrated Waste Management plans in the Integrated Waste Management Account in the Integrated Waste Management Fund; the funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature, may be expended by the California Integrated Waste Management Board for the purpose of offsetting Integrated Waste Management plan costs. Subject to the approval of the California Integrated Waste Management Board, cost savings by a community college that do not exceed two thousand dollars (\$2,000) annually are continuously appropriated for expenditure by the community college for the purpose of offsetting Integrated Waste Management program costs. Cost savings exceeding two thousand dollars (\$2,000) annually may be available for expenditure by the community college only when appropriated by the Legislature. To the extent so approved or appropriated and applied to the college, these amounts shall be identified and offset from the costs claimed for implementing the Integrated Waste Management Plan.

#### **IX. STATE CONTROLLER'S REVISED CLAIMING INSTRUCTIONS**

The Controller shall, within 60 days after receiving amended parameters and guidelines prepare and issue revised claiming instructions for mandates that require state reimbursement after any decision or order of the commission pursuant to section 17559. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission. Pursuant to Government Code section 17561, subdivision (d)(2), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies. (Gov. Code, § 17558, subdivision (c).)

If revised claiming instructions are issued by the Controller pursuant to subdivision (c) of section 17558 between November 15 and February 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

#### **X. REMEDIES BEFORE THE COMMISSION**

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the

Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

#### **XI. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES**

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.



OFFICE OF THE STATE CONTROLLER

STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2005-05

INTEGRATED WASTE MANAGEMENT  
(COMMUNITY COLLEGES)

June 6, 2005

In accordance with Government Code (GC) section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Integrated Waste Management (IWM) program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

On March 25, 2004, the COSM determined that Chapter 764, Statutes of 1999, and Chapter 1116, Statutes of 1992, established costs mandated by the State according to the provisions listed in the P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

**Eligible Claimants**

Any community college that incurs increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

**Filing Deadlines**

**A. Reimbursement Claims**

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. Reimbursement claims for the period January 1, 2000, to June 30, 2000, and fiscal years 2000-01 through 2004-2005 must be filed with the SCO and be delivered or postmarked on or before **October 4, 2005**. Estimated claims for fiscal year 2005-06 must be filed on or before **October 4, 2005**, or by **January 15, 2006**.

Costs for all initial reimbursement claims must be filed separately according to the fiscal year in which the costs were incurred. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.**

The reimbursement periods for the following activities are as follows:

1. One-Time Activities - January 1, 2000, to June 30, 2000, fiscal year 2000-01 and subsequent fiscal years;
2. Ongoing Activities - January 1, 2000, to June 30, 2000, fiscal year 2000-01 and subsequent fiscal years;
3. Alternative Compliance - January 1, 2000, to June 30, 2000, fiscal years 2000-01 through 2004-05, and July 1, 2005, to December 31, 2005;

4. Accounting System - January 1, 2000, to June 30, 2000, fiscal year 2000-01 and subsequent fiscal years;
5. Annual Report - January 1, 2000, to June 30, 2000, fiscal year 2000-01 and subsequent fiscal years; and
6. Annual Recycled Material Reports - Fiscal year 1999-00 and subsequent fiscal years.

## **B. Late Penalty**

### **1. Initial Claims**

AB 3000 enacted into law on September 30, 2002, amended the late penalty assessments on initial claims. Late initial claims submitted **on or after September 30, 2002**, are assessed a late penalty of 10% of the total amount of the initial claims **without limitation**.

### **2. Annual Reimbursement Claims**

All late reimbursement claims are assessed a late penalty of 10% subject to the \$1,000 limitation regardless of when the claims were filed.

## **C. Estimated Claims**

Unless otherwise specified in the claiming instructions, a community college is not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07).

However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Claims filed timely will be paid before late claims.

## **Minimum Claim Cost**

GC section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (\$1,000).

## **Reimbursement of Claims**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question.

Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, receipts and the community college plan approved by the Board. Evidence corroborating the source documents may include, but is not limited to, worksheets, cost



allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

### **Certification of Claim**

In accordance with the provisions of Government Code section 17561, an authorized representative of the claimant shall be required to provide a certification of claim stating: "I certify, (or declare), under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5, for those costs mandated by the State and contained herein.

### **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to GC section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a community college pursuant to this chapter is subject to the initiation of an audit by the SCO no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the SCO to initiate an audit shall commence to run from the date of initial payment of the claim.

In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by the SCO during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. On-site audits will be conducted by the SCO as deemed necessary.

### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

Questions or requests for hard copies of these instructions should be faxed to Ginny Brummels at (916) 323-6527, or e-mailed to [LRS DAR@sco.ca.gov](mailto:LRS DAR@sco.ca.gov). If you wish, you may call the Local Reimbursements Section at (916) 324-5729.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at [www.sco.ca.gov/ard/local/locreim/index.shtml](http://www.sco.ca.gov/ard/local/locreim/index.shtml).

**Address for Filing Claims**

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. (To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)

Use the following mailing addresses:

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

If delivered by  
other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

Adopted: March 30, 2005

## PARAMETERS AND GUIDELINES

Public Resources Code Sections 40148, 40196.3, 42920-42928

Public Contract Code Sections 12167 and 12167.1

Statutes 1999, Chapter 764 (A.B. 75)

Statutes 1992, Chapter 1116 (A.B. 3521)

State Agency Model Integrated Waste Management Plan (February 2000)

*Integrated Waste Management (00-TC-07)*

Santa Monica and Lake Tahoe Community College Districts, Co-claimants

### I. SUMMARY OF THE MANDATE

On March 25, 2004, the Commission on State Mandates (Commission) adopted its Statement of Decision finding that Public Resources Code sections 40148, 40196.3, 42920-42928; Public Contract Code sections 12167 and 12167.1; and the State Agency Model Integrated Waste Management Plan (February 2000) require new activities, as specified below, which constitute new programs or higher levels of service for community college districts within the meaning of article XIII B, section 6, of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514.

Specifically, the Commission approved this test claim for the increased costs of performing the following specific new activities:

- **Comply with the model plan (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000):** A community college must comply with the California Integrated Waste Management Board's (Board) model integrated waste management plan, which includes consulting with the Board to revise the model plan, as well as completing and submitting to the Board the following: (1) state agency or large state facility information form; (2) state agency list of facilities; (3) state agency waste reduction and recycling program worksheet, including the sections on program activities, promotional programs, and procurement activities; and (4) state agency integrated waste management plan questions.
- **Designate a solid waste reduction and recycling coordinator (Pub. Resources Code, § 42920, subd. (c)):** A community college must designate one solid waste reduction and recycling coordinator to perform new duties imposed by chapter 18.5 (Pub. Resources Code, §§ 42920 – 42928), including implementing the community college's integrated waste management plan, and acting as a liaison to other state agencies (as defined by section 40196.3) and coordinators.
- **Divert solid waste (Pub. Resources Code, §§ 42921 & 42922, subd. (i)):** A community college must divert at least 25 percent of all its solid waste from landfill disposal or transformation facilities by January 1, 2002, through source reduction, recycling, and

composting activities, and divert at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004, through source reduction, recycling, and composting.

A community college unable to comply with this diversion requirement may instead seek, until December 31, 2005, either an alternative requirement or time extension (but not both) as specified below:

- **Seek an alternative requirement (Pub. Resources Code, §§ 42927 & 42922, subds. (a) & (b)):** A community college that is unable to comply with the 50-percent diversion requirement must: (1) notify the Board in writing, detailing the reasons for its inability to comply; (2) request of the Board an alternative to the 50-percent requirement; (3) participate in a public hearing on its alternative requirement; (4) provide the Board with information as to (a) the community college's good faith efforts to effectively implement the source reduction, recycling, and composting measures described in its integrated waste management plan, and demonstration of its progress toward meeting the alternative requirement as described in its annual reports to the Board; (b) the community college's inability to meet the 50-percent diversion requirement despite implementing the measures in its plan; (c) the alternative source reduction, recycling, and composting requirement represents the greatest diversion amount that the community college may reasonably and feasibly achieve, and (d) relate to the Board circumstances that support the request for an alternative requirement, such as waste disposal patterns and the types of waste disposed by the community college.
- **Seek a time extension (Pub. Resources Code, §§ 42927 & 42923 subds. (a) & (c)):** A community college that is unable to comply with the January 1, 2002 deadline to divert 25 percent of its solid waste, must do the following pursuant to section 42923, subdivisions (a) and (c): (1) notify the Board in writing, detailing the reasons for its inability to comply; (2) request of the Board an alternative to the January 1, 2002 deadline; (3) provide evidence to the Board that it is making a good faith effort to implement the source reduction, recycling, and composting programs identified in its integrated waste management plan; and (4) provide information to the Board that describes the relevant circumstances that contributed to the request for extension, such as lack of markets for recycled materials, local efforts to implement source reduction, recycling and composting programs, facilities built or planned, waste disposal patterns, and the type of waste disposed of by the community college. (5) The community college must also submit a plan of correction that demonstrates that it will meet the requirements of Section 42921 [the 25 and 50 percent diversion requirements] before the time extension expires, including the source reduction, recycling, or composting steps the community college will implement, a date prior to the expiration of the time extension when the requirements of Section 42921 will be met, the existing programs that it will modify, any new programs that will be implemented to meet those requirements, and the means by which these programs will be funded.

- **Report to the Board (Pub. Resources Code, §§ 42926, subd. (a) & 42922, subd. (i)):** A community college must annually submit, by April 1, 2002 and by April 1 each subsequent year, a report to the Board summarizing its progress in reducing solid waste. The information in the report is to encompass the previous calendar year and shall contain, at a minimum, the following as outlined in section 42926, subdivision (b): (1) calculations of annual disposal reduction; (2) information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors; (3) a summary of progress implementing the integrated waste management plan; (4) the extent to which the community college intends to use programs or facilities established by the local agency for handling, diversion, and disposal of solid waste. (If the college does not intend to use those established programs or facilities, it must identify sufficient disposal capacity for solid waste that is not source reduced, recycled or composted.) (5) For a community college that has been granted a time extension by the Board, it shall include a summary of progress made in meeting the integrated waste management plan implementation schedule pursuant to section 42921, subdivision (b), and complying with the college's plan of correction, before the expiration of the time extension. (6) For a community college that has been granted an alternative source reduction, recycling, and composting requirement by the Board pursuant to section 42922, it shall include a summary of progress made towards meeting the alternative requirement as well as an explanation of current circumstances that support the continuation of the alternative requirement.
- **Submit recycled material reports (Pub. Contract Code, § 12167.1):** A community college must annually report to the Board on quantities of recyclable materials collected for recycling.

## II. ELIGIBLE CLAIMANTS

Community college districts that incur increased costs as a result of this mandate are eligible to claim reimbursement.

## III. PERIOD OF REIMBURSEMENT

Government Code section 17557 states that a test claim must be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The test claim for this mandate was filed on March 9, 2001. Therefore, costs incurred for compliance with Public Contract Code sections 12167 and 12167.1 (Stats. 1992, ch. 1116) are eligible for reimbursement on or after July 1, 1999. However, because of the statute's operative date, all other costs incurred pursuant to Statutes 1999, chapter 764 are eligible for reimbursement on or after January 1, 2000.

Seeking an alternative diversion goal or time extension (Pub. Resources Code, §§ 42922, 42923, and 42927) is reimbursable until December 31, 2005.

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 Government Code section 17561, subdivision (d), all claims for reimbursement of initial years' costs shall be submitted within 120 days of the issuance of the claiming instructions by the State Controller.

If the total costs for a given fiscal year do not exceed \$1000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

#### IV. REIMBURSABLE ACTIVITIES

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

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

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

For each eligible claimant, the following activities are reimbursable:

##### A. One-Time Activities (*Reimbursable starting January 1, 2000*)

1. Develop the necessary district policies and procedures for the implementation of the integrated waste management plan.
2. Train district staff on the requirements and implementation of the integrated waste management plan (one-time per employee). Training is limited to the staff working directly on the plan.

##### B. Ongoing Activities (*Reimbursable starting January 1, 2000*)

1. Complete and submit to the Board the following as part of the State Agency Model Integrated Waste Management Plan (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.):
  - a. state agency or large state facility information form;
  - b. state agency list of facilities;
  - c. state agency waste reduction and recycling program worksheets that describe program activities, promotional programs, and procurement activities, and other questionnaires; and
  - d. state agency integrated waste management plan questions.

NOTE: Although reporting on promotional programs and procurement activities in the model plan is reimbursable, implementing promotional programs and procurement activities is not.

2. Respond to any Board reporting requirements during the approval process. (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.)
3. Consult with the Board to revise the model plan, if necessary.<sup>1</sup> (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.)
4. Designate one solid waste reduction and recycling coordinator ("coordinator") for each college in the district to perform new duties imposed by chapter 18.5 (Pub. Resources Code, §§ 42920 – 42928). The coordinator shall implement the integrated waste management plan. The coordinator shall act as a liaison to other state agencies (as defined by section 40196.3) and coordinators. (Pub. Resources Code, § 42920, subd. (c).)
5. Divert at least 25 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2002, and at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004, through source reduction, recycling, and composting activities. Maintain the required level of reduction, as approved by the Board. (Pub. Resources Code, §§ 42921 & 42922, subd. (i).)

C. Alternative Compliance (*Reimbursable from January 1, 2000 – December 31, 2005*)

1. Seek either an alternative requirement or time extension if a community college is unable to comply with the January 1, 2002 deadline to divert 25 percent of its solid waste, by doing the following: (Pub. Resources Code, §§ 42927 & 42923 subds. (a) & (c).)
  - a. Notify the Board in writing, detailing the reasons for its inability to comply.
  - b. Request of the Board an alternative to the January 1, 2002 deadline.
  - c. Provide evidence to the Board that the college is making a good faith effort to implement the source reduction, recycling, and composting programs identified in its integrated waste management plan.
  - d. Provide information that describes the relevant circumstances that contributed to the request for extension, such as lack of markets for recycled materials, local efforts to implement source reduction, recycling and composting programs, facilities built or planned, waste disposal patterns, and the type of waste disposed of by the community college.
  - e. Submit a plan of correction that demonstrates that the college will meet the requirements of Section 42921 [the 25 and 50 percent diversion requirements] before the time extension expires, including the source reduction, recycling, or composting steps the community college will implement, a date prior to the expiration of the time extension when the requirements of Section 42921 will be met, the existing programs that it will modify, any new programs that will be implemented to meet those requirements, and the means by which these programs

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<sup>1</sup> Attachment 1, California Integrated Waste Management Board, State Agency Model Integrated Waste Management Plan (February 2000).

will be funded.

2. Seek either an alternative requirement or time extension if a community college is unable to comply with the January 1, 2004 deadline to divert 50 percent of its solid waste, by doing the following: (Pub. Resources Code, §§ 42927 & 42922, subs. (a) & (b).)
  - a. Notify the Board in writing, detailing the reasons for its inability to comply.
  - b. Request of the Board an alternative to the 50-percent requirement.
  - c. Participate in a public hearing on its alternative requirement.
  - d. Provide the Board with information as to:
    - (i) the community college's good faith efforts to implement the source reduction, recycling, and composting measures described in its integrated waste management plan, and demonstration of its progress toward meeting the alternative requirement as described in its annual reports to the Board;
    - (ii) the community college's inability to meet the 50 percent diversion requirement despite implementing the measures in its plan;
    - (iii) how the alternative source reduction, recycling, and composting requirement represents the greatest diversion amount that the community college may reasonably and feasibly achieve; and,
    - (iv) the circumstances that support the request for an alternative requirement, such as waste disposal patterns and the types of waste disposed by the community college.

D. Accounting System (*Reimbursable starting January 1, 2000*)

Developing, implementing, and maintaining an accounting system to enter and track the college's source reduction, recycling and composting activities, the cost of those activities, the proceeds from the sale of any recycled materials, and such other accounting systems which will allow it to make its annual reports to the state and determine waste reduction. Note: only the pro-rata portion of the costs incurred to implement the reimbursable activities can be claimed.

E. Annual Report (*Reimbursable starting January 1, 2000*)

Annually prepare and submit, by April 1, 2002, and by April 1 each subsequent year, a report to the Board summarizing its progress in reducing solid waste. The information in the report must encompass the previous calendar year and shall contain, at a minimum, the following as outlined in section 42926, subdivision (b): (Pub. Resources Code, §§ 42926, subd. (a) & 42922, subd. (i).)

1. calculations of annual disposal reduction;
2. information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors;
3. a summary of progress made in implementing the integrated waste management plan;
4. the extent to which the community college intends to use programs or facilities established by the local agency for handling, diversion, and disposal of solid waste



(If the college does not intend to use those established programs or facilities, it must identify sufficient disposal capacity for solid waste that is not source reduced, recycled or composted.);

5. for a community college that has been granted a time extension by the Board, it shall include a summary of progress made in meeting the integrated waste management plan implementation schedule pursuant to section 42921, subdivision (b), and complying with the college's plan of correction, before the expiration of the time extension;
6. for a community college that has been granted an alternative source reduction, recycling, and composting requirement by the Board pursuant to section 42922, it shall include a summary of progress made towards meeting the alternative requirement as well as an explanation of current circumstances that support the continuation of the alternative requirement.

F. Annual Recycled Material Reports (*Reimbursable starting July 1, 1999*)

Annually report to the Board on quantities of recyclable materials collected for recycling. (Pub. Contract Code, § 12167.1.) (See Section VII. regarding offsetting revenues from recyclable materials.)

**V. CLAIM PREPARATION AND SUBMISSION**

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

### 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

### 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

### 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

## B. Indirect Cost Rates

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

Community colleges have the option of using: (1) a federally approved rate, utilizing the cost accounting principles from the Office of Management and Budget Circular A-21, "Cost Principles of Educational Institutions"; (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.

#### **VI. RECORD RETENTION**

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

#### **VII. OFFSETTING REVENUES AND REIMBURSEMENTS**

Reimbursement for this mandate from any source, including but not limited to, services fees collected, federal funds, and other state funds allocated to any service provided under this program, shall be identified and deducted from this claim. Offsetting revenue shall include the revenues cited in Public Resources Code section 42925 and Public Contract Code sections 12167 and 12167.1.

Subject to the approval of the California Integrated Waste Management Board, revenues derived from the sale of recyclable materials by a community college that do not exceed two thousand dollars (\$2,000) annually are continuously appropriated for expenditure by the community college for the purpose of offsetting recycling program costs. Revenues exceeding two thousand dollars (\$2,000) annually may be available for expenditure by the community college only when appropriated by the Legislature. To the extent so approved or appropriated and applied to the college, these amounts are a reduction to the recycling costs mandated by the state to implement Statutes 1999, chapter 764.

In addition, revenue from a building-operating fee imposed pursuant to Education Code section 76375, subdivision (a) if received by a claimant and the revenue is applied to this program, shall be deducted from the costs claimed.

#### **VIII. STATE CONTROLLER'S CLAIMING INSTRUCTIONS**

Pursuant to Government Code section 17558, subdivision (b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

#### **IX. REMEDIES BEFORE THE COMMISSION**

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

#### **X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES**

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.

<b>CLAIM FOR PAYMENT</b> Pursuant to Government Code Section 17561 <b>INTEGRATED WASTE MANAGEMENT</b>	For State Controller Use Only (19) Program Number 256 (20) Date Filed ___/___/___ (21) LRS Input ___/___/___	Program <b>256</b>
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LABEL HERE	(01) Claimant Identification Number		<b>Reimbursement Claim Data</b>	
	(02) Claimant Name		(22) IWM-1, (03)(A)(1)(f)	
	County of Location		(23) IWM-1, (03)(A)(2)(f)	
	Street Address or P.O. Box	Suite	(24) IWM-1, (03)(B)(1)(f)	
	City	State	Zip Code	(25) IWM-1, (03)(B)(2)(f)

Type of Claim	Estimated Claim	Reimbursement Claim		
	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>	(26) IWM-1, (03)(B)(3)(f)	
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(27) IWM-1, (03)(B)(4)(f)	
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(28) IWM-1, (03)(B)(5)(f)	
<b>Fiscal Year of Cost</b>	(06) <b>20</b> ___ / <b>20</b> ___	(12) ___ / <b>20</b> ___	(30) IWM-1, (03)(C)(2)(f)	
<b>Total Claimed Amount</b>	(07)	(13)	(31) IWM-1, (03)(D)(f)	
<b>Less: 10% Late Penalty</b>		(14)	(32) IWM-1, (03)(E)(f)	
<b>Less: Prior Claim Payment Received</b>		(15)	(33) IWM-1, (03)(F)(f)	
<b>Net Claimed Amount</b>		(16)	(34) IWM-1, (06)	
<b>Due from State</b>	(08)	(17)	(35) IWM-1, (08)	
<b>Due to State</b>		(18)	(36) IWM-1, (09)	

**(37) CERTIFICATION OF CLAIM**

In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost 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 to 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 this 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 \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
 Type or Print Name \_\_\_\_\_ Title \_\_\_\_\_

(38) Name of Contact Person for Claim \_\_\_\_\_ Telephone Number ( ) - \_\_\_\_\_ Ext. \_\_\_\_\_

\_\_\_\_\_  
 E-Mail Address \_\_\_\_\_

Program <b>256</b>	<b>INTEGRATED WASTE MANAGEMENT</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) Leave blank.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form IWM-1 and enter the amount from line (10).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) Leave blank.
- (11) If filing an amended reimbursement claim, 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 the reimbursement claim from form IWM-1, line (10). The total claimed amount must exceed \$1,000.
- (14) **Filing Deadline.** Estimated claims for fiscal year 2005-06 must be filed by **October 4, 2005**. Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty of 10%. Enter zero if the claim was timely filed; otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty).
- (15) If filing an actual reimbursement claim or an estimated 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 on 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. IWM-1, (03)(A)(1)(f), means the information is located on form IWM-1, block (0), line (A)(1), column (f). 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 an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

**SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS 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

Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>CLAIM SUMMARY</b>					<b>FORM</b> <b>IWM-1</b>		
(01) Claimant			(02) Type of Claim		Fiscal Year			
			Reimbursement <input type="checkbox"/> Estimated <input type="checkbox"/>		____ / ____			
<b>Direct Costs</b>			<b>Object Accounts</b>					
(03) Reimbursable Activities			(a)	(b)	(c)	(d)	(e)	(f)
			Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel & Training	Total
<b>A. One-Time Activities</b>								
1. Development of Policies and Procedures								
2. Staff Training								
<b>B. Ongoing Activities</b>								
1. Completion and Submission of Plan to Board								
2. Response to Board During Approval Process								
3. Consultation with Board								
4. Designation of Waste Reduction and Recycling Coordinator								
5. Diversion and Maintenance of Approved Level of Reduction								
<b>C. Alternative Compliance</b>								
1. Alternative Requirement or Time Extension for 1/1/02 for 25% Waste								
2. Alternative Requirement or Time Extension for 1/1/04 for 50% Waste								
<b>D. Accounting System</b>								
<b>E. Annual Report</b>								
<b>F. Annual Recycled Material Reports</b>								
(04) Total Direct Costs								
<b>Indirect Costs</b>								
(05) Indirect Cost Rate			[Federally approved OMB A-21, FAM-29C, or 7%]					%
(06) Total Indirect Costs			[Line (05) x line (04)(a)]					
(07) Total Direct and Indirect Costs			[Line (04)(f) + line (06)]					
<b>Cost Reduction</b>								
(08) Less: Offsetting Savings								
(09) Less: Other Reimbursements								
(10) Total Claimed Amount			[Line (07) - {(line (08) + line (09))}]					

Program <b>256</b>	<b>INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY Instructions</b>	<b>FORM IWM-1</b>
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- (01) Claimant: Enter the name of the claimant.
- (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 IWM-1 must be filed for a reimbursement claim. Do not complete form IWM-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. 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%, form IWM-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Reimbursable Activities: For each reimbursable activity, enter the total from form IWM-2, line (05), columns (d) through (h) to form IWM-1, block (04), columns (a) through (e) in the appropriate row. Total each row.
- (04) Total Direct Costs: Total column (f).
- (05) Indirect Cost Rate: Enter the indirect cost rate. Community college districts may use the federally approved OMBA-21, rate computed using form FAM-29C, or the 7% indirect cost rate, for the fiscal year of costs.
- (06) Total Indirect Costs: Enter the result of multiplying Total Salaries and Benefits, line (04)(a), by the Indirect Cost Rate, line (05)
- (07) Total Direct and Indirect Costs: Enter the sum of Total Direct Costs, line (04)(f), and Total Indirect Costs, line (06).
- (08) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (09) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, that reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (10) From Total Direct and Indirect Costs, line (07), subtract the sum of Offsetting Savings, line (08), and Other Reimbursements, line (09). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.



Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	FORM IWM-2
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(01) Claimant	(02) Fiscal Year
---------------	------------------

(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

One-Time Activities	<input type="checkbox"/> Development of Policies and Procedures	<input type="checkbox"/> Staff Training	
Ongoing Activities	<input type="checkbox"/> Completion and Submission of Plan to Board	<input type="checkbox"/> Response to Board During Approval Process	<input type="checkbox"/> Consultation With Board
	<input type="checkbox"/> Designation of Waste Reduction and Recycling Coordinator	<input type="checkbox"/> Maintenance of Approved Level of Reduction	
Alternative Compliance	<input type="checkbox"/> Alternative Requirement or Time Extension for 1/1/02 for 25% Waste	<input type="checkbox"/> Alternative Requirement or Time Extension for 1/1/04 for 50% Waste	
	<input type="checkbox"/> Accounting System	<input type="checkbox"/> Annual Report	<input type="checkbox"/> Annual Recycled Material Reports

(04) Description of Expenses Object Accounts

(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training

(05) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ____ of ____	
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Program <b>256</b>	<b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b> Instructions	FORM IWM-2
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- (01) Claimant: Enter the name of the claimant.
- (02) Fiscal Year: Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Activities: Check the box that indicates the cost activity being claimed. Check only one box per form. A separate form IWM-2 shall be prepared for each applicable activity.
- (04) Description of Expenses: The following table identifies the type of information required to support reimbursable costs. To detail costs for the activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, and travel and training expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns								Submit supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
<b>Salaries</b>	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
<b>Benefits</b>	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
<b>Contract Services</b>	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost= Hourly Rate x Hours Worked or Total Contract Cost			Copy of Contract and Invoices
<b>Fixed Assets</b>	Description of Equipment Purchased	Unit Cost	Usage				Cost= Unit Cost x Usage		
<b>Travel and Training</b>	Purpose of Trip Name and Title	Per Diem Rate	Days					Cost = Rate x Days or Miles	
Travel	Departure and Return Date	Mileage Rate Travel Cost	Miles Travel Mode					or Total Travel Cost	
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

- (05) Total line (04), columns (d) through (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the activity costs, number each page. Enter totals from line (05), columns (d) through (h) to form IWM-1, block (04), columns (a) through (e) in the appropriate row.



OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2008-21  
INTEGRATED WASTE MANAGEMENT  
COMMUNITY COLLEGE DISTRICTS  
DECEMBER 1, 2008

Revised January 21, 2009

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for filing claims for the Integrated Waste Management (IWM) program. These claiming instructions are issued subsequent to adoption of the program's Parameters and Guidelines (P's & G's) by the Commission on State Mandates (CSM).

On March 25, 2004, CSM determined that the test claim legislation established costs mandated by the State according to the provisions listed in the P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

**Eligible Claimants**

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

**Requirements, Limitations, and Exceptions**

Form 1B for Alternative Compliance is to be completed only if the community college is unable to comply with the requirements of B.5. (Divert Solid Waste/Maintain Required Level) on Form 1A, pursuant to Reimbursable Activity C.1. or 2. as listed on page 6 of the P's and G's.

It is not mandatory to re-file claims for fiscal years in which there are no changes. In addition, if there is no "cost avoidance" to report and consequently no additional offsets to the original claim amounts, there is no need to re-file.

**Filing Deadlines**

**A. Reimbursement Claims**

A reimbursement claim is defined in GC Section 17522 as any claim filed with SCO by a CCD for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim.

In order for a claim to be considered properly filed, it must include documentation to support the indirect cost rate if the indirect cost rate exceeds seven percent. A full discussion of the indirect cost methods available to community colleges may be found in the P's & G's. Documentation to support actual costs must be kept on hand by the claimant and made available to SCO upon request as explained in the P's & G's.

Initial reimbursement claims must be filed within 120 days from the issuance date of the claiming instructions. Costs incurred for compliance with the mandated activities pursuant to Public Contract Code (PCC) Sections 12167 and 12167.1 are reimbursable for fiscal years 1999-00 and subsequent years. Seeking an alternative diversion goal or time extension pursuant to Public Resources Code Sections 42922, 42923, and 42927 are reimbursable from January 1, 2000, to December 31, 2005. All other costs incurred pursuant to Chapter 764, Statutes of 1999, are reimbursable for the period January 1, 2000, to June 30, 2000, and subsequent years. Actual claims must be filed with SCO and be delivered or postmarked on or before **March 31, 2009**. Claims for fiscal year 2008-09 must be delivered or postmarked on or before **February 16, 2010**, or a late fee will be assessed. **Claims filed more than one year after the deadline will not be accepted.**

#### **B. Estimated Claims**

Pursuant to AB 8, Chapter 6, Statutes of 2008, the option to file estimated claims has been eliminated. Therefore, estimated claims filed on or after February 16, 2008, will not be accepted by SCO.

#### **Minimum Claim Cost**

GC Section 17564(a) provides that no claim may be filed pursuant to Sections 17551 and 17561, unless such claim exceeds one thousand dollars (\$1,000).

#### **Certification of Claim**

In accordance with the provisions of the Code of Civil Procedure Section 2015.5, an authorized officer of the claimant is required to provide a certification of claim stating: "I certify, (or declare), under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of GC Section 17561, for the costs mandated by the State and contained herein.

#### **Audit of Costs**

All claims submitted to SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with SCO's claiming instructions and the P's & G's adopted by CSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a community college district for this mandate is subject to the initiation of an audit by SCO no later than three years after the date that the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds are appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for SCO to initiate an audit shall commence to run from the date of initial payment of the claim.

In any case, an audit shall be completed no later than two years after the date that the audit was initiated. All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by SCO during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. On-site audits will be conducted by SCO as deemed necessary.

### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

Questions, or requests for hard copies of these instructions, should be faxed to Angie Lowi-Teng at (916) 323-6527 or e-mailed to [ateng@sco.ca.gov](mailto:ateng@sco.ca.gov). Or, if you wish, you may call Angie of the Local Reimbursements Section at (916) 323-0706.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at [www.sco.ca.gov/ard/local/locreim/index.shtml](http://www.sco.ca.gov/ard/local/locreim/index.shtml).

### **Address for Filing Claims**

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents.

**To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.**

Use the following mailing addresses:

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

If delivered by  
other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

Amended: September 26, 2008

Adopted: March 30, 2005

## AMENDMENTS TO PARAMETERS AND GUIDELINES

Public Resources Code Sections 40148, 40196.3, 42920-42928

Public Contract Code Sections 12167 and 12167.1

Statutes 1999, Chapter 764 (A.B. 75)

Statutes 1992, Chapter 1116 (A.B. 3521)

State Agency Model Integrated Waste Management Plan (February 2000)

*Integrated Waste Management*

00-TC-07

Santa Monica and Lake Tahoe Community College Districts, Co-claimants

### I. SUMMARY OF THE MANDATE

On March 25, 2004, the Commission on State Mandates (Commission) adopted its Statement of Decision finding that Public Resources Code sections 40148, 40196.3, 42920-42928; Public Contract Code sections 12167 and 12167.1; and the State Agency Model Integrated Waste Management Plan (February 2000) require new activities, as specified below, which constitute new programs or higher levels of service for community college districts within the meaning of article XIII B, section 6, of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514.

Specifically, the Commission approved this test claim for the increased costs of performing the following specific new activities:

- **Comply with the model plan (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000):** A community college must comply with the California Integrated Waste Management Board's (Board) model integrated waste management plan, which includes consulting with the Board to revise the model plan, as well as completing and submitting to the Board the following: (1) state agency or large state facility information form; (2) state agency list of facilities; (3) state agency waste reduction and recycling program worksheet, including the sections on program activities, promotional programs, and procurement activities; and (4) state agency integrated waste management plan questions.
- **Designate a solid waste reduction and recycling coordinator (Pub. Resources Code, § 42920, subd. (c)):** A community college must designate one solid waste reduction and recycling coordinator to perform new duties imposed by chapter 18.5 (Pub. Resources Code, §§ 42920 – 42928), including implementing the community college's integrated waste management plan, and acting as a liaison to other state agencies (as defined by section 40196.3) and coordinators.

- **Divert solid waste (Pub. Resources Code, §§ 42921 & 42922, subd. (i)):** A community college must divert at least 25 percent of all its solid waste from landfill disposal or transformation facilities by January 1, 2002, through source reduction, recycling, and composting activities, and divert at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004, through source reduction, recycling, and composting.

A community college unable to comply with this diversion requirement may instead seek, until December 31, 2005, either an alternative requirement or time extension (but not both) as specified below:

- **Seek an alternative requirement (Pub. Resources Code, §§ 42927 & 42922, subds. (a) & (b)):** A community college that is unable to comply with the 50-percent diversion requirement must: (1) notify the Board in writing, detailing the reasons for its inability to comply; (2) request of the Board an alternative to the 50-percent requirement; (3) participate in a public hearing on its alternative requirement; (4) provide the Board with information as to (a) the community college's good faith efforts to effectively implement the source reduction, recycling, and composting measures described in its integrated waste management plan, and demonstration of its progress toward meeting the alternative requirement as described in its annual reports to the Board; (b) the community college's inability to meet the 50-percent diversion requirement despite implementing the measures in its plan; (c) the alternative source reduction, recycling, and composting requirement represents the greatest diversion amount that the community college may reasonably and feasibly achieve, and (d) relate to the Board circumstances that support the request for an alternative requirement, such as waste disposal patterns and the types of waste disposed by the community college.
- **Seek a time extension (Pub. Resources Code, §§ 42927 & 42923 subds. (a) & (c)):** A community college that is unable to comply with the January 1, 2002 deadline to divert 25 percent of its solid waste, must do the following pursuant to section 42923, subdivisions (a) and (c): (1) notify the Board in writing, detailing the reasons for its inability to comply; (2) request of the Board an alternative to the January 1, 2002 deadline; (3) provide evidence to the Board that it is making a good faith effort to implement the source reduction, recycling, and composting programs identified in its integrated waste management plan; and (4) provide information to the Board that describes the relevant circumstances that contributed to the request for extension, such as lack of markets for recycled materials, local efforts to implement source reduction, recycling and composting programs, facilities built or planned, waste disposal patterns, and the type of waste disposed of by the community college. (5) The community college must also submit a plan of correction that demonstrates that it will meet the requirements of Section 42921 [the 25 and 50 percent diversion requirements] before the time extension expires, including the source reduction, recycling, or composting steps the community college will implement, a date prior to the expiration of the time extension when the requirements of Section 42921 will be met, the existing programs that it will modify, any new programs that will be



implemented to meet those requirements, and the means by which these programs will be funded.

- **Report to the Board (Pub. Resources Code, §§ 42926, subd. (a) & 42922, subd. (i)):** A community college must annually submit, by April 1, 2002 and by April 1 each subsequent year, a report to the Board summarizing its progress in reducing solid waste. The information in the report is to encompass the previous calendar year and shall contain, at a minimum, the following as outlined in section 42926, subdivision (b): (1) calculations of annual disposal reduction; (2) information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors; (3) a summary of progress implementing the integrated waste management plan; (4) the extent to which the community college intends to use programs or facilities established by the local agency for handling, diversion, and disposal of solid waste. (If the college does not intend to use those established programs or facilities, it must identify sufficient disposal capacity for solid waste that is not source reduced, recycled or composted.) (5) For a community college that has been granted a time extension by the Board, it shall include a summary of progress made in meeting the integrated waste management plan implementation schedule pursuant to section 42921, subdivision (b), and complying with the college's plan of correction, before the expiration of the time extension. (6) For a community college that has been granted an alternative source reduction, recycling, and composting requirement by the Board pursuant to section 42922, it shall include a summary of progress made towards meeting the alternative requirement as well as an explanation of current circumstances that support the continuation of the alternative requirement.
- **Submit recycled material reports (Pub. Contract Code, § 12167.1):** A community college must annually report to the Board on quantities of recyclable materials collected for recycling.

*State of California, Department of Finance, California Integrated Waste Management Board v. Commission on State Mandates, et al. (Sacramento County Superior Court, Case No. 07CS00355)*

The Department of Finance and the Integrated Waste Management Board filed a petition for writ of mandate in March 2007, asking the court to set aside the Commission's decision granting the test claim and to require the Commission to issue a new Statement of Decision and parameters and guidelines that give full consideration to the community colleges' cost savings (e.g. avoided landfill disposal fees) and revenues (from recyclables) by complying with the test claim statutes. Petitioners' position was that the Commission had not properly accounted for all the offsetting cost savings from avoided disposal costs, or offsetting revenues from the sale of recyclable materials, in the Statement of Decision or parameters and guidelines. The Judgment and a Writ of Mandate were issued on June 30, 2008, ordering the Commission to:

1. amend the parameters and guidelines in Test Claim No. 00-TC-07 to require community college districts claiming reimbursable costs of an integrated waste management plan under Public Resources Code section 42920, et seq. to identify and offset from their claims, consistent with the directions for revenue in Public Contract code sections 12167 and 12167.1, cost savings realized as a result of implementing their plans; and

2. amend the parameters and guidelines in Test Claim No. 00-TC-07 to require community college districts claiming reimbursable costs of an integrated waste management plan under Public Resources Code section 42920, et seq. to identify and offset from their claims all of the revenue generated as a result of implementing their plans, without regard to the limitations or conditions described in sections 12167 and 12167.1 of the Public Contract Code.

## **II. ELIGIBLE CLAIMANTS**

Community college districts that incur increased costs as a result of this mandate are eligible to claim reimbursement.

## **III. PERIOD OF REIMBURSEMENT**

Government Code section 17557 states that a test claim must be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The test claim for this mandate was filed on March 9, 2001. Therefore, costs incurred for compliance with Public Contract Code sections 12167 and 12167.1 (Stats. 1992, ch. 1116) are eligible for reimbursement on or after July 1, 1999. However, because of the statute's operative date, all other costs incurred pursuant to Statutes 1999, chapter 764 are eligible for reimbursement on or after January 1, 2000.

Seeking an alternative diversion goal or time extension (Pub. Resources Code, §§ 42922, 42923, and 42927) is reimbursable until December 31, 2005.

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

If the total costs for a given fiscal year do not exceed \$1000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

## **IV. REIMBURSABLE ACTIVITIES**

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

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

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

For each eligible claimant, the following activities are reimbursable:

A. One-Time Activities (*Reimbursable starting January 1, 2000*)

1. Develop the necessary district policies and procedures for the implementation of the integrated waste management plan.
2. Train district staff on the requirements and implementation of the integrated waste management plan (one-time per employee). Training is limited to the staff working directly on the plan.

B. Ongoing Activities (*Reimbursable starting January 1, 2000*)

1. Complete and submit to the Board the following as part of the State Agency Model Integrated Waste Management Plan (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.):
  - a. state agency or large state facility information form;
  - b. state agency list of facilities;
  - c. state agency waste reduction and recycling program worksheets that describe program activities, promotional programs, and procurement activities, and other questionnaires; and
  - d. state agency integrated waste management plan questions.

NOTE: Although reporting on promotional programs and procurement activities in the model plan is reimbursable, implementing promotional programs and procurement activities is not.

2. Respond to any Board reporting requirements during the approval process. (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.)
3. Consult with the Board to revise the model plan, if necessary.<sup>1</sup> (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.)
4. Designate one solid waste reduction and recycling coordinator ("coordinator") for each college in the district to perform new duties imposed by chapter 18.5 (Pub. Resources Code, §§ 42920 – 42928). The coordinator shall implement the integrated waste management plan. The coordinator shall act as a liaison to other state agencies (as defined by section 40196.3) and coordinators. (Pub. Resources Code, § 42920, subd. (c).)

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<sup>1</sup> Attachment 1, California Integrated Waste Management Board, State Agency Model Integrated Waste Management Plan (February 2000).

5. Divert at least 25 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2002, and at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004, through source reduction, recycling, and composting activities. Maintain the required level of reduction, as approved by the Board. (Pub. Resources Code, §§ 42921 & 42922, subd. (i).)

C. Alternative Compliance (*Reimbursable from January 1, 2000 – December 31, 2005*)

1. Seek either an alternative requirement or time extension if a community college is unable to comply with the January 1, 2002 deadline to divert 25 percent of its solid waste, by doing the following: (Pub. Resources Code, §§ 42927 & 42923 subds. (a) & (c).)
  - a. Notify the Board in writing, detailing the reasons for its inability to comply.
  - b. Request of the Board an alternative to the January 1, 2002 deadline.
  - c. Provide evidence to the Board that the college is making a good faith effort to implement the source reduction, recycling, and composting programs identified in its integrated waste management plan.
  - d. Provide information that describes the relevant circumstances that contributed to the request for extension, such as lack of markets for recycled materials, local efforts to implement source reduction, recycling and composting programs, facilities built or planned, waste disposal patterns, and the type of waste disposed of by the community college.
  - e. Submit a plan of correction that demonstrates that the college will meet the requirements of Section 42921 [the 25 and 50 percent diversion requirements] before the time extension expires, including the source reduction, recycling, or composting steps the community college will implement, a date prior to the expiration of the time extension when the requirements of Section 42921 will be met, the existing programs that it will modify, any new programs that will be implemented to meet those requirements, and the means by which these programs will be funded.
2. Seek either an alternative requirement or time extension if a community college is unable to comply with the January 1, 2004 deadline to divert 50 percent of its solid waste, by doing the following: (Pub. Resources Code, §§ 42927 & 42922, subds. (a) & (b).)
  - a. Notify the Board in writing, detailing the reasons for its inability to comply.
  - b. Request of the Board an alternative to the 50-percent requirement.
  - c. Participate in a public hearing on its alternative requirement.
  - d. Provide the Board with information as to:
    - (i) the community college's good faith efforts to implement the source reduction, recycling, and composting measures described in its integrated waste management plan, and demonstration of its progress toward meeting the alternative requirement as described in its annual reports to the Board;
    - (ii) the community college's inability to meet the 50 percent diversion requirement despite implementing the measures in its plan;

- (iii) how the alternative source reduction, recycling, and composting requirement represents the greatest diversion amount that the community college may reasonably and feasibly achieve; and,
- (iv) the circumstances that support the request for an alternative requirement, such as waste disposal patterns and the types of waste disposed by the community college.

D. Accounting System (*Reimbursable starting January 1, 2000*)

Developing, implementing, and maintaining an accounting system to enter and track the college's source reduction, recycling and composting activities, the cost of those activities, the proceeds from the sale of any recycled materials, and such other accounting systems which will allow it to make its annual reports to the state and determine waste reduction. Note: only the pro-rata portion of the costs incurred to implement the reimbursable activities can be claimed.

E. Annual Report (*Reimbursable starting January 1, 2000*)

Annually prepare and submit, by April 1, 2002, and by April 1 each subsequent year, a report to the Board summarizing its progress in reducing solid waste. The information in the report must encompass the previous calendar year and shall contain, at a minimum, the following as outlined in section 42926, subdivision (b): (Pub. Resources Code, §§ 42926, subd. (a) & 42922, subd. (i).)

1. calculations of annual disposal reduction;
2. information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors;
3. a summary of progress made in implementing the integrated waste management plan;
4. the extent to which the community college intends to use programs or facilities established by the local agency for handling, diversion, and disposal of solid waste (If the college does not intend to use those established programs or facilities, it must identify sufficient disposal capacity for solid waste that is not source reduced, recycled or composted.);
5. for a community college that has been granted a time extension by the Board, it shall include a summary of progress made in meeting the integrated waste management plan implementation schedule pursuant to section 42921, subdivision (b), and complying with the college's plan of correction, before the expiration of the time extension;
6. for a community college that has been granted an alternative source reduction, recycling, and composting requirement by the Board pursuant to section 42922, it shall include a summary of progress made towards meeting the alternative requirement as well as an explanation of current circumstances that support the continuation of the alternative requirement.

F. Annual Recycled Material Reports (*Reimbursable starting July 1, 1999*)

Annually report to the Board on quantities of recyclable materials collected for recycling. (Pub. Contract Code, § 12167.1.)

V. **CLAIM PREPARATION AND SUBMISSION**

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element

A.1., Salaries and Benefits, for each applicable reimbursable activity.

## 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1., Salaries and Benefits, and A.2., Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3., Contracted Services.

## B. Indirect Cost Rates

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

Community colleges have the option of using: (1) a federally approved rate, utilizing the cost accounting principles from the Office of Management and Budget Circular A-21, "Cost Principles of Educational Institutions"; (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.

## VI. RECORD RETENTION

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

## VII. OFFSETTING REVENUES AND REIMBURSEMENTS

Reimbursement for this mandate from any source, including but not limited to, services fees

collected, federal funds, and other state funds allocated to any service provided under this program, shall be identified and offset from this claim. Offsetting revenue shall include all revenues generated from implementing the Integrated Waste Management Plan.

In addition, revenue from a building-operating fee imposed pursuant to Education Code section 76375, subdivision (a) if received by a claimant and the revenue is applied to this program, shall be deducted from the costs claimed.

### **VIII. OFFSETTING COST SAVINGS**

Reduced or avoided costs realized from implementation of the community college districts' Integrated Waste Management plans shall be identified and offset from this claim as cost savings, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1. Pursuant to these statutes, community college districts are required to deposit cost savings resulting from their Integrated Waste Management plans in the Integrated Waste Management Account in the Integrated Waste Management Fund; the funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature, may be expended by the California Integrated Waste Management Board for the purpose of offsetting Integrated Waste Management plan costs. Subject to the approval of the California Integrated Waste Management Board, cost savings by a community college that do not exceed two thousand dollars (\$2,000) annually are continuously appropriated for expenditure by the community college for the purpose of offsetting Integrated Waste Management program costs. Cost savings exceeding two thousand dollars (\$2,000) annually may be available for expenditure by the community college only when appropriated by the Legislature. To the extent so approved or appropriated and applied to the college, these amounts shall be identified and offset from the costs claimed for implementing the Integrated Waste Management Plan.

### **IX. STATE CONTROLLER'S REVISED CLAIMING INSTRUCTIONS**

The Controller shall, within 60 days after receiving amended parameters and guidelines prepare and issue revised claiming instructions for mandates that require state reimbursement after any decision or order of the commission pursuant to section 17559. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission. Pursuant to Government Code section 17561, subdivision (d)(2), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies. (Gov. Code, § 17558, subdivision (c).)

If revised claiming instructions are issued by the Controller pursuant to subdivision (c) of section 17558 between November 15 and February 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

### **X. REMEDIES BEFORE THE COMMISSION**

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the



Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

#### **XI. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES**

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.

<b>CLAIM FOR PAYMENT</b> Pursuant to Government Code Section 17561 <b>INTEGRATED WASTE MANAGEMENT</b>	For State Controller Use Only (19) Program Number 00256 (20) Date Filed (21) LRS Input	Program <b>256</b>
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(01) Claimant Identification Number		Reimbursement Claim Data		
(02) Claimant Name		(22) FORM-1, (04)(f)		
Address		(23) FORM-1, (05)		
		(24) FORM-1, (08)		
		(25) FORM-1, (09)		
<b>Type of Claim</b>	<b>Estimated Claim</b>	<b>Reimbursement Claim</b>	(26) FORM-1, (10)	
	(03) Estimated	(09) Reimbursement <input type="checkbox"/>	(27)	
	(04) Combined	(10) Combined <input type="checkbox"/>	(28)	
	(05) Amended	(11) Amended <input type="checkbox"/>	(29)	
<b>Fiscal Year of Cost</b>	(06)	(12)	(30)	
<b>Total Claimed Amount</b>	(07)	(13)	(31)	
<b>Less: Late Penalty (refer to claiming instructions)</b>		(14)	(32)	
<b>Less: Prior Claim Payment Received</b>		(15)	(33)	
<b>Net Claimed Amount</b>		(16)	(34)	
<b>Due from State</b>	(08)	(17)	(35)	
<b>Due to State</b>		(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 to file mandated cost 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 to 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 the Reimbursement Claim are hereby claimed from the State for payment of 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 \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Title

(38) Name of Contact Person for Claim \_\_\_\_\_

Telephone Number \_\_\_\_\_

E-mail Address \_\_\_\_\_

<b>Program</b> <b>256</b>	<b>INTEGRATED WASTE MANAGEMENT  CERTIFICATION CLAIM FORM  INSTRUCTIONS</b>	<b>FORM  FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) Leave blank.
- (04) Leave blank.
- (05) Leave blank.
- (06) Leave blank.
- (07) Leave blank.
- (08) Leave blank.
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11) If filing an amended reimbursement claim, 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 the reimbursement claim from Form-1A, line (11). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by **February 15** of the following fiscal year in which costs were incurred or the claims will be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10 % penalty), not to exceed \$10,000.
- (15) If filing a reimbursement claim or 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 on 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., Form-1, (04)(f), means the information is located on Form-1, block (04), column (f). 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 district's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

**SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS 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

<b>Program</b> <b>256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>					<b>FORM</b> <b>1A</b>	
(01) Claimant			(02) Type of Claim Reimbursement		Fiscal Year		
<b>Direct Costs</b>		<b>Object Accounts</b>					
(03) Reimbursable Activities		(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
<b>A. One-Time Activity</b>							
1. Develop Policies and Procedures							
2. Train District Staff on IWM Plan							
<b>B. Ongoing Activities</b>							
1. Complete and Submit IWM Plan to Board							
2. Respond to Board Requirements							
3. Consult with Board to Revise Plan							
4. Designate Coordinator for Each College							
5. Divert Solid Waste/Maintain Required Level							
(04) Total Direct Costs							
<b>Indirect Costs</b>							
(05) Indirect Cost Rate				[Refer to Claiming Instructions]			
(06) Total Indirect Costs				[Refer to Claiming Instructions]			
(07) Total Direct and Indirect Costs				[Line (05)(f) + line (07)]			
(08) Total from Forms 1A, 1B, and 1C				[Add 1A(07) + 1B(07) + 1C(07)]			
<b>Cost Reduction</b>							
(09) Less: Offsetting Savings							
(10) Less: Other Reimbursements							
(11) Total Claimed Amount				[Line (08) - {(line (09) + line (10))}]			

<b>Program</b>  <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>CLAIM SUMMARY</b> <b>INSTRUCTIONS</b>	<b>FORM</b>  <b>1A</b>
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- (01) Enter the name of the claimant.
- (02) Enter the fiscal year of costs.
- (03) Reimbursable Activities. For each reimbursable activity, enter the totals from form Form-2A, line (09), columns (d) through (h), to form Form-1A, block (03), columns (a) through (e), in the appropriate row. Total each row.
- (B)(5) Divert Solid Waste/Maintain Required Level. If this activity is claimed, Form 1B for Alternative Compliance must not be completed.**
- (04) Total Direct Costs. Total columns (a) through (f).
- (05) Use the SCO FAM-29C, Flat 7%, or Federally Approved OMB A-21 methodology if specifically allowed by the P's and G's for this program. **See the Community College Mandated Cost Manual, Section 9, Indirect Costs for important instructions on claiming indirect costs using the Federally Approved OMB A-21 Rate for electronic claims.**
- (06) Enter the result of multiplying *Salaries and Benefits Only*, line (04)(a), by the *Indirect cost rate*, line (05).
- (07) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (04)(f), and Total Indirect Costs, line (06).
- (08) Enter the sum total of Forms 1A, 1B and 1C here.
- (09) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate, such as reduction in disposal costs, staff reductions (including benefits), materials and supplies (less purchases due to re-use), elimination of storage, reduction in transportation costs, equipment, and any other relevant reduction in costs. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, sale of recyclables, sale of surplus equipment, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (11) Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (13) for the Reimbursement Claim.

<b>Program</b> <b>256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>	<b>FORM</b> <b>1B</b>
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(01) Claimant	(02) Type of Claim Reimbursement	Fiscal Year
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**C. Alternative Compliance (From 01/01/2000 to 12/31/2005) Do not complete if B5 on Form 1A is claimed.**

(03) Reimbursable Activities: Choose either 1 or 2, as applicable.

Direct Costs		Object Accounts					
1.	Alternative Requirement of Time Extension {If unable to comply with 01/01/02 deadline to divert 25% of solid waste per PRCE€ 42927 & 42923 (a) & (c)}	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
a.	Provide Written Notification to the Board						
b.	Request Alternative from the Board						
c.	Provide Evidence to the Board						
d.	Provide Relevant Information						
e.	Submit Plan of Correction						
(04) Total Direct Costs							

Direct Costs		Object Accounts					
2.	Alternative Requirement of Time Extension {If unable to comply with 01/01/04 deadline to divert 25% of solid waste per PRCE€ 42927 & 42922 (a) & (b)}	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
a.	Provide Written Notification to the Board						
b.	Request Alternative from the Board						
c.	Participate in Public Hearing						
d.	Provide Information to the Board						
(04) Total Direct Costs							

<b>Indirect Costs</b>	
(05) Indirect Cost Rate	[Refer to Claiming Instructions]
(06) Total Indirect Costs	[Refer to Claiming Instructions]
(07) Total Direct and Indirect Costs	[Line (05)(f) + line (06)] [Forward total to Form-1A, line (08)]

Program <b>256</b>	MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY	FORM <b>1B</b>
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This form is to be completed only if the community college is unable to comply with the reimbursable activity, listed on the P's and G's page 6, under IV. REIMBURSABLE ACTIVITIES, B.5., Ongoing Activities, and listed on Form-1A as Divert Solid Waste/Maintain Required Level.

Choose either Reimbursable Activity 1 or 2, as applicable.

If the community college is unable to comply with the **January 1, 2002**, deadline to divert at least **25%** of all solid waste from landfill disposal or transformation facilities, complete **Reimbursable Activity 1**.

If the community college is unable to comply with the **January 1, 2004**, deadline to divert at least **50%** of all solid waste from landfill disposal or transformation facilities, complete **Reimbursable Activity 2**.

- (01) Enter the name of the claimant.
- (02) Enter the fiscal year of claim.
- (03) Reimbursable Activities. For each reimbursable activity, enter the total from form 2B, line (09), columns (d) through (h) to form 1A, block (03), columns (a) through (e) in the appropriate row. Total each row.
- (04) Total Direct Costs. Total columns (a) through (f).
- (05) Use the SCO FAM-29C, Flat 7%, or Federally Approved OMB A-21 methodology if specifically allowed by the P's and G's for this program. **See the Community College Mandated Cost Manual, Section 9, Indirect Costs for important instructions on claiming indirect costs using the Federally Approved OMB A-21 Rate for electronic claims.**
- (06) Depending on the direct cost method used, enter the result of multiplying *Salaries and Benefits Only*, line (04)(1)(a) or line (04)(2)(a), by the *Indirect cost rate*, line (05).
- (07) Total Direct and Indirect Costs. Actual Cost Method: Enter the sum of Total Direct Costs, line (04)(f), and Total Indirect Costs, line (06). Forward this amount to Form-1A, line (08).

<b>Program</b> <b>256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>						<b>FORM</b> <b>1C</b>
(01) Claimant				(02) Type of Claim Reimbursement		Fiscal Year	
<b>Direct Costs</b>		<b>Object Accounts</b>					
(03)	Reimbursable Activities	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
<b>D. Accounting System</b>		Reimbursement begins January 1, 2000					
1.	Develop, Implement & Maintain System						
<b>E. Annual Report of Progress</b>		Reimbursement begins January 1, 2000					
1.	Calculations of Annual Disposal Reduction						
2.	Information on the Changes						
3.	Summary of Process Made in IWM Plan						
4.	The Extent of CCD's Use of IWM Plan						
5.	Time Extension Summary of Progress						
6.	Alternative Reduction Summary of Progress						
<b>F. Annual Recycled Material Reports</b>		Reimbursement begins July 1, 1999					
1.	Annual Report to the Board						
(04) Total Direct Costs							
<b>Indirect Costs</b>							
(05) Indirect Cost Rate				[Refer to Claiming Instructions]			
(06) Total Indirect Costs				[Refer to Claiming Instructions]			
(07) Total Direct and Indirect Costs				[Line (04)(f) + line (06)] [Forward total to Form-1A, line (08)]			



Program <b>256</b>	MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY INSTRUCTIONS	FORM <b>1C</b>
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- (01) Enter the name of the claimant.
- (02) Enter the fiscal year of costs.
- (03) Reimbursable Activities. For each reimbursable activity, enter the totals from form Form-2C, line (09), columns (d) through (h), to form Form-1C, block (03), columns (a) through (e), in the appropriate row. Total each row.
- (B)(5) Divert Solid Waste/Maintain Required Level. If this activity is claimed, Form 1B for Alternative Compliance must not be completed.
- (04) Total Direct Costs. Total columns (a) through (f).
- (05) Use the SCO FAM-29C, Flat 7%, or Federally Approved OMB A-21 methodology if specifically allowed by the P's and G's for this program. **See the Community College Mandated Cost Manual, Section 9, Indirect Costs for important instructions on claiming indirect costs using the Federally Approved OMB A-21 Rate for electronic claims.**
- (06) Enter the result of multiplying *Salaries and Benefits Only*, line (04)(a), by the *Indirect cost rate*, line (05).
- (07) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (04)(f), and Total Indirect Costs, line (06). Forward this total to Form-1A, line (08).

Program <b style="font-size: 24pt;">256</b>	<b>MANDATED COSTS                  INTEGRATED WASTE MANAGEMENT                  COMPONENT/ACTIVITY COST DETAIL</b>	FORM <b style="font-size: 24pt;">2A</b>
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(01) Claimant	(02) Fiscal Year
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(03) If filing a combined claim, enter the combined claimant name below. Electronic Claim Only	(04) If filing by departments with different indirect cost rates, enter the department name below. Electronic Claim Only
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(05) Indirect Cost Rate Electronic Claim Only	(06) Indirect Cost Rate Base Electronic Claim Only
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(07) Reimbursable Components: Check only one box per form to identify the activity being claimed.

<p><b>One-Time Activities</b></p> <p><input type="checkbox"/> Development of Policies and Procedures</p> <p><input type="checkbox"/> Train District Staff on IWM Plan</p>	<p><b>Ongoing Activities</b></p> <p><input type="checkbox"/> Complete and Submit of IWM Plan to Board</p> <p><input type="checkbox"/> Respond to Board Requirements</p> <p><input type="checkbox"/> Consult with Board to Revise Plan</p> <p><input type="checkbox"/> Designate Coordinator for Each College</p> <p><input type="checkbox"/> Divert Solid Waste/Maintain Required Level</p>
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(08) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training

(09) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ___ of ___	
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Program <b>256</b>	<b>INTEGRATED WASTE MANAGEMENT                  COMPONENT/ACTIVITY COST DETAIL                  INSTRUCTIONS</b>	FORM <b>2A</b>
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- (01) Enter the name of the claimant.
- (02) Enter the fiscal year for which costs were incurred.
- (03) Leave blank.
- (04) Leave blank.
- (05) Leave blank.
- (06) Leave blank.
- (07) Reimbursable Activities. Check the box that indicates the activity being claimed. Check only one box per form. A separate Form-2 must be prepared for each applicable activity.
- (08) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, and travel and training expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to SCO on request.

Object/ Sub object Accounts	Columns								Submit supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
<b>Salaries and Benefits</b>  Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
	Benefits	Activities Performed	Benefit Rate	Benefits = Benefit Rate x Salaries					
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
<b>Contract Services</b>	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost=Hourly Rate x Hours Worked or Total Contract Cost			Copy of Contract and Invoices
<b>Fixed Assets</b>	Description of Equipment Purchased	Unit Cost	Usage				Cost= Unit Cost x Usage		
<b>Travel and Training</b>  Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode					Total Travel Cost = Rate x Days or Miles	
	Training	Employee Name/Title Name of Class	Dates Attended					Registration Fee	

- (09) Total line (08), columns (d) through (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the activity costs; number each page. Enter totals from line (09), columns (d) through (h) to Form-1A, block (03), columns (a) through (e) in the appropriate row.

Program <b style="font-size: 1.5em;">256</b>	<b>MANDATED COSTS                  INTEGRATED WASTE MANAGEMENT                  COMPONENT/ACTIVITY COST DETAIL</b>	FORM <b style="font-size: 1.5em;">2B</b>
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(01) Claimant	(02) Fiscal Year
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(03) If filing a combined claim, enter the combined claimant name below. Electronic Claim Only	(04) If filing by departments with different indirect cost rates, enter the department name below. Electronic Claim Only
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(05) Indirect Cost Rate Electronic Claim Only	(06) Indirect Cost Rate Base Electronic Claim Only
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(07) Reimbursable Components: Check only one box per form to identify the activity being claimed.

<b>1. Alternative Requirement or Time</b> <input type="checkbox"/> Provide Written Notification to the Board <input type="checkbox"/> Request Alternative from the Board <input type="checkbox"/> Provide Evidence to the Board <input type="checkbox"/> Provide Relevant Information <input type="checkbox"/> Submit Plan of Correction	<b>2. Alternative Requirement or Time Extension</b> <input type="checkbox"/> Provide Written Notification to the Board <input type="checkbox"/> Request Alternative from the Board <input type="checkbox"/> Participate in Public Hearing <input type="checkbox"/> Provide Information to the Board
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(08) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training

(09) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ___ of ___					
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<b>Program</b> <b>256</b>	<b>INTEGRATED WASTE MANAGEMENT COMPONENT/ACTIVITY COST DETAIL INSTRUCTIONS</b>	<b>FORM</b> <b>2B</b>
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- (01) Enter the name of the claimant.
- (02) Enter the fiscal year for which costs were incurred.
- (03) Leave blank.
- (04) Leave blank.
- (05) Leave blank.
- (06) Leave blank.
- (07) Reimbursable Activities. Check the box that indicates the activity being claimed. Check only one box per form. A separate Form-2 must be prepared for each applicable activity.
- (08) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, and travel and training expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to SCO on request.

Object/ Sub object Accounts	Columns								Submit supporting documents with the claim	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		
<b>Salaries and Benefits</b>	Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
	Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used					
<b>Contract Services</b>	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost=Hourly Rate x Hours Worked or Total Contract Cost				Copy of Contract and Invoices
<b>Fixed Assets</b>	Description of Equipment Purchased	Unit Cost	Usage				Cost= Unit Cost x Usage			
<b>Travel and Training</b>	Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode					Total Travel Cost = Rate x Days or Miles	
	Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

- (09) Total line (08), columns (d) through (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the activity costs, number each page. Enter totals from line (09), columns (d) through (h) to Form-1A, block (03), columns (a) through (e) in the appropriate row.

Program <b style="font-size: 24pt;">256</b>	<b>MANDATED COSTS                  INTEGRATED WASTE MANAGEMENT                  COMPONENT/ACTIVITY COST DETAIL</b>	FORM <b style="font-size: 24pt;">2C</b>
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(01) Claimant	(02) Fiscal Year
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(03) If filing a combined claim, enter the combined claimant name below. Electronic Claim Only	(04) If filing by departments with different indirect cost rates, enter the department name below. Electronic Claim Only
---	---

(05) Indirect Cost Rate Electronic Claim Only	(06) Indirect Cost Rate Base Electronic Claim Only
--	---

(07) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<p><b>D. Accounting System</b></p> <p><input type="checkbox"/> Develop, Implement &amp; Maintain System</p> <p><b>F. Annual Recycled Material Reports</b></p> <p><input type="checkbox"/> Annual Report to the Board</p>	<p><b>E. Annual Report of Progress</b></p> <p><input type="checkbox"/> Calculations of Annual Disposal Reduction</p> <p><input type="checkbox"/> Information on the Changes</p> <p><input type="checkbox"/> Summary of Progress Made in IWM Plan</p> <p><input type="checkbox"/> The Extent of CCD's Use of IWM Plan</p> <p><input type="checkbox"/> Time Extension Summary of Progress</p> <p><input type="checkbox"/> Alternative Reduction Summary of Progress</p>
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(08) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training

(09) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ___ of ___					
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<b>Program</b> <b>256</b>	<b>INTEGRATED WASTE MANAGEMENT COMPONENT/ACTIVITY COST DETAIL INSTRUCTIONS</b>	<b>FORM</b> <b>2C</b>
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- (01) Enter the name of the claimant.
- (02) Enter the fiscal year for which costs were incurred.
- (03) Leave blank.
- (04) Leave blank.
- (05) Leave blank.
- (06) Leave blank.
- (07) Reimbursable Activities. Check the box that indicates the activity being claimed. Check only one box per form. A separate Form-2 must be prepared for each applicable activity.
- (08) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, and travel and training expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to SCO on request.

Object/ Sub object Accounts	Columns								Submit supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
<b>Salaries and Benefits</b>									
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
<b>Contract Services</b>	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost=Hourly Rate x Hours Worked or Total Contract Cost			Copy of Contract and Invoices
<b>Fixed Assets</b>	Description of Equipment Purchased	Unit Cost	Usage				Cost= Unit Cost x Usage		
<b>Travel and Training</b>	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode					Total Travel Cost = Rate x Days or Miles	
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

- (09) Total line (08), columns (d) through (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the activity costs, number each page. Enter totals from line (09), columns (d) through (h) to Form-1A, block (03), columns (a) through (e) in the appropriate row.







## FILING A CLAIM

### 1. Introduction

The law in the State of California, (GC Sections 17500 through 17617), provides for the reimbursement of costs incurred by community college districts (CCD) for costs mandated by the State. Costs mandated by the State means any increased costs which a CCD is required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

Estimated claims that show costs to be incurred in the current fiscal year and reimbursement claims that detail the costs actually incurred for the prior fiscal year may be filed with the State Controller's Office (SCO). Claims for on-going programs are filed annually by January 15. Claims for new programs are filed within 120 days from the date claiming instructions are issued for the program. A 10 percent penalty, up to \$1,000 for continuing claims, no limit for initial claims, is assessed for late claims. The SCO may audit the records of any CCD to verify the actual amount of mandated costs and may reduce any claim that is excessive or unreasonable.

When a program has been reimbursed for three or more years, the Commission on State Mandates (COSM) may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement do not file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds are made available.

The instructions contained in this manual are intended to provide general guidance for filing a mandated cost claim. Since each mandate is administered separately, it is important to refer to the specific program for information relating to established policies on eligible reimbursable costs.

### 2. Types of Claims

There are three types of claims: Reimbursement, estimated, and entitlement. A claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year or may file an estimated claim for mandated costs to be incurred during the current fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program, would receive an automatic annual payment which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable. The claim must be filed with sufficient documentation to support the costs claimed. The types of documentation required to substantiate a claim are identified in the instructions for the program. The certification of claim, form FAM-27, must be signed and dated by the entity's authorized officer in order for the SCO to make payment on the claim.

**A. Reimbursement Claim**

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a CCD for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. The claim must include supporting documentation to substantiate the costs claimed.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal years of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual reimbursement claims must be filed by January 15 following the fiscal year in which costs were incurred for the program. A reimbursement claim must detail the costs actually incurred in the prior fiscal year.

An actual claim for 2005-06 fiscal year, may be filed by January 15, 2007 without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.

**B. Estimated Claim**

An estimated claim is defined in GC Section 17522 as any claim filed with the SCO, during the fiscal year in which the mandated costs are to be incurred by the CCD, against an appropriation made to the SCO for the purpose of paying those costs.

An estimated claim may be filed in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times for estimated costs to be incurred during the current fiscal year. Annual estimated claims are due January 15 of the fiscal year in which the costs are to be incurred. Initial estimated claims are due on the date specified in the claiming instructions. Timely filed estimated claims are paid before those filed after the deadline.

After receiving payment for an estimated claim, the claimant must file a reimbursement claim by January 15 following the fiscal year in which costs were incurred. If the claimant fails to file a reimbursement claim, monies received for the estimated claims must be returned to the State.

**C. Entitlement Claim**

An entitlement claim is defined in GC Section 17522 as any claim filed by a CCD with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims and supporting documents should be filed by January 15, following the third fiscal year used to develop the entitlement claim, to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs.

Once a mandate has been included in SMAS and the claimant has established a base year entitlement, the claimant will receive automatic payments from the SCO for the mandate. The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the implicit price deflator of costs of goods and services to governmental agencies, as determined by the State Department of Finance. For programs approved by the COSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three

year base period is adjusted according to any changes by both the deflator and average daily attendance. Annual apportionments for programs included in the system are paid on or before November 30 of each year.

A base year entitlement is determined by computing an average of the claimant's costs for any three consecutive years after the program has been approved for the SMAS process. The amount is first adjusted according to any changes in the deflator. The deflator is applied separately to each year's costs for the three years, which comprise the base year. The SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, form FAM-43, to establish a base year entitlement. The form FAM-43 is included in the claiming instructions for SMAS programs. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

### **3. Minimum Claim Amount**

For initial claims and annual claims filed on or after September 30 2002, if the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564.

### **4. Filing Deadline for Claims**

Initial reimbursement claims (first-time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date of issuance of the program's claiming instructions by the SCO. If the initial reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% penalty. A claim filed more than one year after the deadline cannot be accepted for reimbursement.

Annual reimbursement claims for costs incurred during the previous fiscal year and estimated claims for costs to be incurred during the current fiscal year must be filed with the SCO and postmarked on or before January 15. If the annual or estimated reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$1,000. Claims must include supporting data to show how the amount claimed was derived. Without this information, the claim cannot be accepted.

Entitlement claims do not have a filing deadline. However, entitlement claims and supporting documents should be filed by January 15 to permit an orderly processing of claims. Entitlement claims are used to establish a base year entitlement amount for calculating automatic annual payments. Entitlement does not result in the claimant being reimbursed for costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

### **5. Payment of Claims**

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer.

Reimbursement and estimated claims are paid within 60 days of the filing deadline for the claim, or 15 days after the date the appropriation for the claim is effective, whichever is later. A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate. The SCO may withhold up to 20 percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs. The 20 percent withheld is not subject to accrued interest.

In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

The SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature, which consider appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the COSM which will include these amounts in its report to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. When the supplementary funds are made available, the balance of the claims will be paid.

Unless specified in the statutes, regulations, or P's & G's, the determination of allowable and unallowable costs for mandates is based on the P's & G's adopted by the COSM. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the COSM. The SCO determines allowable reimbursable costs, subject to amendment by the COSM, for mandates funded by special legislation. Unless specified, allowable costs are those direct and indirect costs, less applicable credits, considered to be eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carry out the overall responsibilities of government.
2. The cost is allocable to a particular cost objective identified in the P's & G's.
3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that should not be claimed as direct program costs unless specified as reimbursable under the program's P's & G's. These costs include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops general education, and travel costs.

## **6. State Mandates Apportionment System (SMAS)**

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the COSM.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each CCD that has submitted reimbursement claims (or entitlement claims) for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims (or entitlement claims) for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in the Implicit Price Deflator (IPD), which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the COSM's approval.

Each CCD with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The amount of apportionment is adjusted annually for any change in the IPD. If the mandated program was included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and average daily attendance.

In the event a CCD has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the CCD may file an entitlement claim for each of those missed years to establish a base year entitlement. An "entitlement claim" means any

claim filed by CCD with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any nonrecurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the CCD determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based is set forth in GC Section 17615.8 and requires the approval of the COSM.

## 7. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Each claimed reimbursable cost must be supported by documentation as described in Section 12. Costs that are typically classified as direct costs are:

### (1) Employee Wages, Salaries, and Fringe Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may, in-lieu of reporting actual compensation and fringe benefits, use a productive hourly rate:

#### (a) Productive Hourly Rate Options

A CCD may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claim must include a computation of how these hours were computed.

\* 1,800 annual productive hours excludes the following employee time:

- Paid holidays
- Vacation earned
- Sick leave taken
- Informal time off
- Jury duty
- Military leave taken.

#### (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

**Table 1: Productive Hourly Rate, Annual Salary + Benefits Method**

<b>Formula:</b>	<b>Description:</b>
$[(EAS + Benefits) \div APH] = PHR$	EAS = Employee's Annual Salary
	APH = Annual Productive Hours
$[(\$26,000 + \$8,099) \div 1,800 \text{ hrs}] = 18.94$	PHR = Productive Hourly Rate

- As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to EAS, multiply the biweekly salary by 26. To convert a monthly salary to EAS, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.
2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

**Table 2: Productive Hourly Rate, Percent of Salary Method**

<b>Example:</b>		
<b>Step 1: Fringe Benefits as a Percent of Salary</b>		<b>Step 2: Productive Hourly Rate</b>
Retirement	15.00 %	<b>Formula:</b> $[(EAS \times (1 + FBR)) \div APH] = PHR$ $[(\$26,000 \times (1.3115)) \div 1,800] = \$18.94$
Social Security & Medicare	7.65	
Health & Dental Insurance	5.25	
Workers Compensation	3.25	
<b>Total</b>	<b>31.15 %</b>	
<b>Description:</b>		
EAS = Employee's Annual Salary		APH = Annual Productive Hours
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate

- As illustrated in Table 3, both methods produce the same productive hourly rate.
- Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, workmen's compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:
- The amount of compensation is reasonable for the service rendered.
  - The compensation paid and benefits received are appropriately authorized by the governing board.
  - Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.
  - The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level job position, perform an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at a higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

**(c) Calculating an Average Productive Hourly Rate**

In those instances where the parameters and guidelines allow a unit as a basis of claiming costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

**Table 3: Calculating an Average Productive Hourly Rate**

	<u>Time Spent</u>	<u>Productive Hourly Rate</u>	<u>Total Cost by Employee</u>
Employee A	1.25 hrs	\$6.00	\$7.50
Employee B	0.75 hrs	4.50	3.38
Employee C	3.50 hrs	10.00	35.00
Total	5.50 hrs		\$45.88
Average Productive Hourly Rate is \$45.88/5.50 hrs. = \$8.34			

**(d) Employer's Fringe Benefits Contribution**

A CCD has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them.

For example:

<u>Employer's Contribution</u>	<u>% of Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental Insurance	5.25%
Worker's Compensation	0.75%
Total	<u>28.65%</u>

**(e) Materials and Supplies**

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the



number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity, and cost. Purchases in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by the CCD.

**(f) Calculating a Unit Cost for Materials and Supplies**

In those instances where the P's & G's suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

**Table 1: Calculating A Unit Cost for Materials and Supplies**

Supplies	Cost Per Unit	Amount of Supplies Used Per Activity	Unit Cost of Supplies Per Activity
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	<u>0.40</u>
			<u>\$0.64</u>

**Table 2: Calculating a Unit Cost for Materials and Supplies**

Supplies	Supplies Used	Unit Cost of Supplies Per Activity
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	<u>2.00</u>
		<u>\$9.50</u>

If the number of reimbursable instances is 25, then the unit cost of supplies is \$0.38 per reimbursable instance (\$9.50/25).

**(g) Contract Services**

The cost of contract services is allowable if the CCD lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor, explain the reason for having to hire a contractor, describe the mandated activities performed, give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the P's & G's for the mandated program. The contractor's

invoice, or statement, which includes an itemized list of costs for activities performed, must accompany the claim.

**(h) Equipment Rental Costs**

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the P's & G's for the particular mandate. Equipment rentals used solely for the mandate is reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the pro rata portion of the rental costs can be claimed.

**(i) Capital Outlay**

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the P's & G's specify them as allowable. If they are allowable, the parameters and guidelines for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the pro rata portion of the purchase price used to implement the reimbursable activities can be claimed.

**(j) Travel Expenses**

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the P's & G's may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of the persons incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation, number of private auto miles traveled, and the cost of tolls and parking with receipts required for charges over \$10.00.

**(k) Documentation**

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

**8. Indirect Costs**

Indirect costs are: (a) Incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved. Indirect costs can originate in the department performing the mandate or in departments that supply the department performing the mandate with goods, services and facilities. To be allowable, a cost must be allocable to a particular cost objective. Indirect costs must be distributed to benefiting cost objectives on bases which produce an equitable result related to the benefits derived by the mandate.

A CCD may claim indirect costs using the Controller's methodology (FAM-29C) outlined in the following paragraphs. If specifically allowed by a mandated program's P's & G's, a district may alternately choose to claim indirect costs using either (1) a federally approved rate prepared in

accordance with Office of Management and Budget (OMB) Circular A-21, *Cost Principles for Educational Institutions*; or (2) a flat 7% rate.

The SCO developed FAM-29C to be consistent with OMB Circular A-21, cost accounting principles as they apply to mandated cost programs. The objective is to determine an equitable rate to allocate administrative support to personnel who performed the mandated cost activities. The FAM-29C methodology uses a direct cost base comprised of salary and benefit costs and operating expenses. Form FAM-29C provides a consistent indirect cost rate methodology for all CCD's mandated cost programs.

FAM-29C uses total expenditures that districts report in their *California Community Colleges Annual Financial and Budget Report* (CCFS-311), Expenditures by Activity for the General Fund – Combined. The computation excludes Capital Outlay and Other Outgo in accordance with OMB Circular A-21. The indirect cost rate computation includes any depreciation or use allowance applicable to district buildings and equipment. Districts calculate depreciation or use allowance costs separately from the CCFS-311 report and should calculate them in accordance with OMB Circular A-21.

OMB Circular A-21, Section C.4, states that cost is allocable to a particular cost objective in accordance with the relative benefits received. Also, Section E.2.b. states that the overall objective of the cost allocation process is to distribute indirect costs to the institution's major functions in proportions reasonably consistent with their use of the institution's resources. In addition, Section E.2.c. notes that where certain items or categories of expense relate to less than all functions, such expenses should be set aside for selective allocation.

OMB Circular A-21, Section H, describes a simplified method for indirect cost rate calculations. However, Section H.1.b. states that the simplified method should not be used where it produces results that appear inequitable. As previously noted, FAM-29C strives to equitably allocate administrative support costs to personnel that perform mandated cost activities claimed by CCD. For example, library costs and department administration expenses, normally classified fully or partly as indirect costs in OMB Circular A-21, are instead classified as direct costs for FAM-29C. These costs do not benefit mandated cost activities. In summary, FAM-29C indirect costs include Operation and Maintenance of Plant; Planning, Policy Making, and Coordination; General Institutional Support Services (excluding Community Relations); and depreciation or use allowance. Community Relations includes fundraising costs, which are unallowable under OMB Circular A-21. If the district claims any costs from these indirect accounts as a direct mandate-related costs, the same costs should be reclassified as direct on FAM-29C.

Table 4 presents an example of the FAM-29C methodology.

Table 4: Indirect Cost Rate for Community Colleges

MANDATED COST INDIRECT COST RATE FOR COMMUNITY COLLEGE DISTRICTS					FORM FAM 29-C	
(1) Claimant			(02) Period of Claim			
Activity	EDP	Total Costs Per CCFS-311	Less: Capital Outlay and Other Outgo	FAM 29-C Adjusted Total	Indirect	Direct
Instructional Activities	599	\$ 51,792,408	\$ (230,904)	\$ 51,561,504		\$ 51,561,504
Instruct. Admin. & Instruct. Governance	6000	6,882,034	(216,518)	6,665,516		6,665,516
Instructional Support Services	6100	4,155,095	(9,348)	4,145,747		4,145,747
Admissions and Records	6200	2,104,543	(3,824)	2,100,719		2,100,719
Student Counseling and Guidance	6300	4,570,658	(1,605)	4,569,053		4,569,053
Other Student Services	6400	5,426,510	(41,046)	5,385,464		5,385,464
Operation and Maintenance of Plant	6500	8,528,585	(111,743)	8,416,842	8,416,842	
Planning, Policy Making, and Coordination	6600	5,015,333	(23,660)	4,991,673	4,991,673	
General Institutional Support Services	6700			-		
Community Relations	6710	885,089	(6,091)	878,998		878,998
Fiscal Operations	6720	1,891,424	(40,854)	1,850,570	1,850,570	
Human Resources Management	6730	1,378,288	(25,899)	1,352,389	1,352,389	
Non-instructional Staff Retirees' Benefits and Retirement Incentives	6740	1,011,060		1,011,060	1,011,060	
Staff Development	6750	108,655	(8,782)	99,873	99,873	
Staff Diversity	6760	30,125		30,125	30,125	
Logistical Services	6770	2,790,091	(244,746)	2,545,345	2,545,345	
Management Information Systems	6780	2,595,214	(496,861)	2,098,353	2,098,353	
Other General Institutional Support Services	6790	33,155	(4,435)	28,720	28,720	
Community Services and Economic Development	6800	340,014		340,014		340,014
Ancillary Services	6900	1,148,730	(296)	1,148,434		1,148,434
Auxiliary Operations	7000			-		-
Depreciation or Use Allowance - Building				-	2,620,741	
Depreciation or Use Allowance - Equipment				-	1,706,396	
				-		
<b>Totals</b>		<u>\$100,687,011</u>	<u>\$ (1,466,612)</u>	<u>\$ 99,220,399</u>	<u>\$26,752,087</u>	<u>\$ 76,795,449</u>
					(A)	(B)
<b>Indirect Cost Rate (A)/(B)</b>					<u>34.84%</u>	

## 9. Time Study Guidelines

### Background

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a formula for reimbursing CCD costs mandated by the state that meets certain conditions specified in GC Section 17518.5(a). For costs incurred prior to January 1, 2005, a time study can only be substituted for continuous records of actual time spent for a specific fiscal year if the program's P's & G's allows for the use of time studies.

Two methods are acceptable for documenting employee time charged to mandated cost programs: Actual Time Reporting and Time Study, which are described below. Application of time study results is restricted. As explained in Time Study Results below, the results may be projected forward a maximum of two years provided the claimant meets certain criteria.

### Actual Time Reporting

The P's & G's define reimbursable activities for each mandated cost program. (Some P's & G's refer to reimbursable activities as reimbursable components.) When employees work on multiple activities and/or programs, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards (which clarify documentation requirements discussed under the Reimbursable Activities section of recent P's & G's):

- They must reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for time distribution.

### Time Study

In certain cases, a time study may be used to substitute for continuous records of actual time spent on multiple activities and/or programs. An effective time study requires that an activity be a task that is repetitive in nature. Activities that require a varying level of effort are not appropriate for time studies.

### Time Study Plan

A time study plan is necessary before conducting the time study. The claimant must retain the time study plan for audit purposes. The plan needs to identify the following:

- Time period(s) to be studied – The plan must show that all time periods selected are representative of the fiscal year, and that the results can be reasonably projected to approximate actual costs.
- Activities and/or programs to be studied – For each mandated program included, the time study must separately identify each reimbursable activity defined in the mandated program's P's & G's, which are derived from the program's Statement of Decision. If a reimbursable activity in the P's & G's identifies separate and distinct sub-activities, they must also be treated as individual activities.

For example, sub-activities (a), (b), and (c) under reimbursable activity (B)(1) of the local agency's Domestic Violence Treatment Services: Authorization and Case Management program relate to information to be discussed during victim notification by the probation department and therefore are not separate and distinct activities. These sub-activities do not have to be separately studied.

- Process used to accomplish each reimbursable activity – Use flowcharts or similar analytical tools and/or written desk procedures to describe the process for each activity.
- Employee universe – The employee universe used in the time study must include all positions whose salaries and wages are to be allocated by means of the time study.
- Employee sample selection methodology – The plan must show that employees selected are representative of the employee universe, and the results can be reasonably projected to approximate actual costs. In addition, the employee sample size should be proportional to the variation in time spent to perform a task. The sample size should be larger for tasks with significant time variations.
- Time increments to be recorded – The time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) might be used for employees performing only a few functions that change very slowly over time. Very small increments (a number of minutes) may be needed for employees performing more short-term tasks.

Random moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

### Time Study Documentation

Time studies must:

- Be supported by time records that are completed contemporaneously;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities and/or programs performed during a specific time period; and
- Coincide with one or more pay periods.

Time records must be signed by the employee (electronic signatures are acceptable) and be supported by corroborating evidence which validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

### Time Study Results

Time study results must be summarized to show how the time study supports the costs claimed for each activity. Any variations from the procedures identified in the original time study plan must be documented and explained.

Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant may not apply time study results retroactively.

- Annual Reimbursement Claims – Claimants may use time studies to support costs incurred on or after January 1, 2005. Claimants may not use time studies for the period July 1, 2004,

through December 31, 2004, unless (1) the program's P's & G's specifically allow time studies, and (2) the time study is prepared based on mandated activity occurring between July 1, 2004, and December 31, 2004.

- **Initial Claims** – When filing an initial claim for new mandated programs, claimants may only use time study results for costs incurred on or after January 1, 2005. Claimants may not use time studies to support costs incurred before January 1, 2005, unless (1) the program's P's & G's specifically allow time studies, and (2) the claimant prepares separate time studies for each fiscal year preceding January 1, 2005, based on mandated activity occurring during those years.

When projecting time study results, the claimant must certify that there have been no significant changes between years in either: (1) the requirements of each mandated program activity or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain corroborating evidence that validates the mandated activity was actually performed. Time study results used to support subsequent years' claims are subject to the recordkeeping requirements for those claims.

## 10. Offset Against State Mandated Claims

As noted previously, allowable costs are defined as those direct and indirect costs, less applicable credits, considered to be eligible for reimbursement. When all or part of the costs of a mandated program are specifically reimbursable from local assistance revenue sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from CCD funds is eligible for reimbursement under the provisions of GC Section 17561.

### Example 1:

As illustrated in Table 5, this example shows how the "Offset against State Mandated Claims" is determined for a CCD receiving block grant revenues not based on a formula allocation. Program costs for each of the situations equals \$100,000.

**Table 5: Offset Against State Mandates, Example 1**

	Program Costs	Actual Local Assistance Revenues	State Mandated Costs	Offset Against State Mandated Claims	Claimable Mandated Costs
1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250
6.	100,000 *	49,000	2,500	250	2,250

\* CCD share is \$50,000 of the program cost.

Numbers (1) through (4), in Table 5, show intended funding at 100% from local assistance revenue sources. Numbers (5) and (6) show cost sharing on a 50/50 basis with the district. In numbers (1) through (6), included in the program costs of \$100,000 are state mandated costs of \$2,500. The offset against state mandated claims are the amount of actual local assistance revenues, which exceeds the difference between program costs and state mandated costs. This offset cannot exceed the amount of state mandated costs.

In (1), local assistance revenues were less than expected. Local assistance funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs.

In (4), local assistance revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500, and claimable costs are \$0.

In (5), the district is sharing 50% of the project cost. Since local assistance revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

In (6), local assistance revenues were less than the amount expended and the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

#### Example 2:

As illustrated in Table 6, this example shows how the offset against state mandated claims is determined for a CCD receiving special project funds based on approved actual costs. Local assistance revenues for special projects must be applied proportionately to approve costs.

**Table 6: Offset Against State Mandates, Example 2**

	Program Costs	Actual Local Assistance Revenues	State Mandated Costs	Offset Against State Mandated Claims	Claimable Mandated Costs
1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625
3.	100,000 **	45,000	1,500	1,125	375

\*\* CCD share is \$25,000 of the program cost.

In (2), the entire program cost was approved. Since the local assistance revenue source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

If in (3) local assistance revenues are less than the amount expected because only \$60,000 of the \$100,000 program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claims is \$1,125. Therefore, the claimable mandated costs are \$375.

#### Federal and State Funding Sources

State school fund apportionments and federal aid for education, which are based on average daily attendance and are part of the general system of financing public schools as well as block grants which do not provide for specific reimbursement of costs (i.e., allocation formulas not tied to expenditures), should not be included as reimbursements from local assistance revenue sources.

#### Governing Authority

The costs of salaries and expenses of the governing authority, such as the school superintendent and governing board, are not reimbursable. These are costs of general government as described in the Office of Management and Budget Circular (OMB) 2 CFR Part 225.



### 11. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. If any adjustments are made to a claim, the claimant will receive a "Notice of Claim Adjustments" detailing adjustments made by the SCO.

### 12. Audit of Costs

All claims submitted to the State Controller's Office (SCO) are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment will be mailed within 30 days after payment of the claim.

Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by CCD pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed no later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of three years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for three years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

### 13. Source Documents

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

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

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a formula for reimbursing a CCD mandated by the state that meets certain conditions specified in 17518.5(a). For costs incurred prior to January 1, 2005, time study can substitute for continuous records of actual time spent for a specific fiscal year only if the program's P's & G's allow for the use of time studies.

#### 14. Claim Forms and Instructions

A claimant may submit a computer generated report in substitution for Form-1 and Form-2, provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file an estimated or reimbursement claim. The SCO will revise the manual and claim forms as necessary.

##### A. Form-2, Component/Activity Cost Detail

This form is used to segregate the detail costs by claim component. In some mandates, specific reimbursable activities have been identified for each component. The expenses reported on this form must be supported by the official financial records of the claimant and copies of supporting documentation, as specified in the claiming instructions, must be submitted with the claims. All supporting documents must be retained for a period of not less than three years after the reimbursement claim was filed or last amended.

##### B. Form-1, Claim Summary

This form is used to summarize direct costs by component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

A CCD has the option of using a federally approved rate (i.e., utilizing the cost accounting principles from the Office of Management and Budget (OMB) 2 CFR Part 225) or from FAM-29C.

##### C. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized officer of the CCD. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 is required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment, and all other forms and supporting documents (**To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.**) Use the following mailing addresses:

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

If delivered by  
Other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

#### 15. Retention of Claiming Instructions

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the School Mandated Cost Manual and the old forms they replace should be removed. The instructions should then be retained permanently for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the

year will be placed on the SCO's web site at [www.sco.ca.gov/ard/local/locreim/index.shtml](http://www.sco.ca.gov/ard/local/locreim/index.shtml).

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, or send e-mail to [lrsdar@sco.ca.gov](mailto:lrsdar@sco.ca.gov), or call the Local Reimbursements Section at (916) 324-5729.

#### 16. Retention of Claim Records and Supporting Documentation

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and that the claim was prepared in accordance with the SCO's claiming instructions and the COSM's P's and G's. If any adjustments are made to a claim, a "Notice of Claim Adjustments" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a school district is subject to audit by the SCO no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the SCO to initiate an audit shall commence to run from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and shall be made available to the SCO on request.



## FILING A CLAIM

### 1. Introduction

The law in the State of California, (GC Sections 17500 through 17617), provides for the reimbursement of costs incurred by community college districts (CCD) for costs mandated by the State. Costs mandated by the State means any increased costs which a CCD is required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

Estimated claims that show costs to be incurred in the current fiscal year and reimbursement claims that detail the costs actually incurred for the prior fiscal year may be filed with the State Controller's Office (SCO). Claims for on-going programs are filed annually by February 15. Claims for new programs are filed within 120 days from the date claiming instructions are issued for the program. A 10 percent penalty, up to \$10,000 for continuing claims, no limit for initial claims, is assessed for late claims. The SCO may audit the records of any CCD to verify the actual amount of mandated costs and may reduce any claim that is excessive or unreasonable.

When a program has been reimbursed for three or more years, the Commission on State Mandates (COSM) may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement do not file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds are made available.

The instructions contained in this manual are intended to provide general guidance for filing a mandated cost claim. Since each mandate is administered separately, it is important to refer to the specific program for information relating to established policies on eligible reimbursable costs.

### 2. Types of Claims

There are three types of claims: Reimbursement, estimated, and entitlement. A claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year or may file an estimated claim for mandated costs to be incurred during the current fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program, would receive an automatic annual payment which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable. The claim must be filed with sufficient documentation to support the costs claimed. The types of documentation required to substantiate a claim are identified in the instructions for the program. The certification of claim, form FAM-27, must be signed and dated by the entity's authorized officer in order for the SCO to make payment on the claim.

**A. Reimbursement Claim**

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a CCD for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. The claim must include supporting documentation to substantiate the costs claimed.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal years of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual reimbursement claims must be filed by February 15 following the fiscal year in which costs were incurred for the program. A reimbursement claim must detail the costs actually incurred in the prior fiscal year.

An actual claim for 2006-07 fiscal year, may be filed by February 15, 2008 without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.

**B. Estimated Claim**

An estimated claim is defined in GC Section 17522 as any claim filed with the SCO, during the fiscal year in which the mandated costs are to be incurred by the CCD, against an appropriation made to the SCO for the purpose of paying those costs.

An estimated claim may be filed in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times for estimated costs to be incurred during the current fiscal year. Annual estimated claims are due February 15 of the fiscal year in which the costs are to be incurred. Initial estimated claims are due on the date specified in the claiming instructions. Timely filed estimated claims are paid before those filed after the deadline.

After receiving payment for an estimated claim, the claimant must file a reimbursement claim by February 15 following the fiscal year in which costs were incurred. If the claimant fails to file a reimbursement claim, monies received for the estimated claims must be returned to the State.

**C. Entitlement Claim**

An entitlement claim is defined in GC Section 17522 as any claim filed by a CCD with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims and supporting documents should be filed by February 15, following the third fiscal year used to develop the entitlement claim, to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs.

Once a mandate has been included in SMAS and the claimant has established a base year entitlement, the claimant will receive automatic payments from the SCO for the mandate. The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the implicit price deflator of costs of goods and services to governmental agencies, as determined by the State Department of Finance. For programs approved by the COSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three

year base period is adjusted according to any changes by both the deflator and average daily attendance. Annual apportionments for programs included in the system are paid on or before November 30 of each year.

A base year entitlement is determined by computing an average of the claimant's costs for any three consecutive years after the program has been approved for the SMAS process. The amount is first adjusted according to any changes in the deflator. The deflator is applied separately to each year's costs for the three years, which comprise the base year. The SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, form FAM-43, to establish a base year entitlement. The form FAM-43 is included in the claiming instructions for SMAS programs. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

### **3. Minimum Claim Amount**

For initial claims and annual claims filed on or after September 30 2002, if the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564.

### **4. Filing Deadline for Claims**

Initial reimbursement claims (first-time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date of issuance of the program's claiming instructions by the SCO. If the initial reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% penalty. A claim filed more than one year after the deadline cannot be accepted for reimbursement.

Annual reimbursement claims for costs incurred during the previous fiscal year and estimated claims for costs to be incurred during the current fiscal year must be filed with the SCO and postmarked on or before February 15. If the annual or estimated reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$10,000. Claims must include supporting data to show how the amount claimed was derived. Without this information, the claim cannot be accepted.

Entitlement claims do not have a filing deadline. However, entitlement claims and supporting documents should be filed by February 15 to permit an orderly processing of claims. Entitlement claims are used to establish a base year entitlement amount for calculating automatic annual payments. Entitlement does not result in the claimant being reimbursed for costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

### **5. Payment of Claims**

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer.

Reimbursement and estimated claims are paid within 60 days of the filing deadline for the claim, or 15 days after the date the appropriation for the claim is effective, whichever is later. A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate. The SCO may withhold up to 20 percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs. The 20 percent withheld is not subject to accrued interest.

Pursuant to GC section 17561 (d), the Controller shall pay any eligible claim by August 15 or 45 days after the date the appropriation for the claim is effective, whichever is later. In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

The SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature, which consider appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the COSM which will include these amounts in its report to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. When the supplementary funds are made available, the balance of the claims will be paid.

Unless specified in the statutes, regulations, or P's & G's, the determination of allowable and unallowable costs for mandates is based on the P's & G's adopted by the COSM. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the COSM. The SCO determines allowable reimbursable costs, subject to amendment by the COSM, for mandates funded by special legislation. Unless specified, allowable costs are those direct and indirect costs, less applicable credits, considered to be eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carry out the overall responsibilities of government.
2. The cost is allocable to a particular cost objective identified in the P's & G's.
3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that should not be claimed as direct program costs unless specified as reimbursable under the program's P's & G's. These costs include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops general education, and travel costs.

## **6. State Mandates Apportionment System (SMAS)**

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the COSM.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each CCD that has submitted reimbursement claims (or entitlement claims) for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims (or entitlement claims) for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in the Implicit Price Deflator (IPD), which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the COSM's approval.

Each CCD with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The amount of apportionment is adjusted annually for any change in the IPD. If the mandated program was included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and average daily attendance.

In the event a CCD has incurred costs for three consecutive fiscal years but did not file a



reimbursement claim in one or more of those fiscal years, the CCD may file an entitlement claim for each of those missed years to establish a base year entitlement. An "entitlement claim" means any claim filed by CCD with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any nonrecurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the CCD determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based is set forth in GC Section 17615.8 and requires the approval of the COSM.

## 7. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Each claimed reimbursable cost must be supported by documentation as described in Section 12. Costs that are typically classified as direct costs are:

### (1) Employee Wages, Salaries, and Fringe Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may, in-lieu of reporting actual compensation and fringe benefits, use a productive hourly rate:

#### (a) Productive Hourly Rate Options

A CCD may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claim must include a computation of how these hours were computed.

\* 1,800 annual productive hours excludes the following employee time:

- Paid holidays
- Vacation earned
- Sick leave taken
- Informal time off
- Jury duty
- Military leave taken.

#### (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

**Table 1: Productive Hourly Rate, Annual Salary + Benefits Method**

<b>Formula:</b>	<b>Description:</b>
$[(EAS + Benefits) \div APH] = PHR$	EAS = Employee's Annual Salary
	APH = Annual Productive Hours
$[(\$26,000 + \$8,099)] \div 1,800 \text{ hrs} = 18.94$	PHR = Productive Hourly Rate

- As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to EAS, multiply the biweekly salary by 26. To convert a monthly salary to EAS, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.
2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

**Table 2: Productive Hourly Rate, Percent of Salary Method**

<b>Example:</b>		
<b>Step 1: Fringe Benefits as a Percent of Salary</b>		<b>Step 2: Productive Hourly Rate</b>
Retirement	15.00 %	<b>Formula:</b> $[(EAS \times (1 + FBR)) \div APH] = PHR$ $[(\$26,000 \times (1.3115)) \div 1,800] = \$18.94$
Social Security & Medicare	7.65	
Health & Dental Insurance	5.25	
Workers Compensation	3.25	
<b>Total</b>	<b>31.15 %</b>	
<b>Description:</b>		
EAS = Employee's Annual Salary		APH = Annual Productive Hours
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate

- As illustrated in Table 3, both methods produce the same productive hourly rate.
- Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, workmen's compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:
- The amount of compensation is reasonable for the service rendered.
  - The compensation paid and benefits received are appropriately authorized by the governing board.
  - Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.

- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level job position, perform an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at a higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

**(c) Calculating an Average Productive Hourly Rate**

In those instances where the parameters and guidelines allow a unit as a basis of claiming costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

**Table 3: Calculating an Average Productive Hourly Rate**

	<u>Time Spent</u>	<u>Productive Hourly Rate</u>	<u>Total Cost by Employee</u>
Employee A	1.25 hrs	\$6.00	\$7.50
Employee B	0.75 hrs	4.50	3.38
Employee C	3.50 hrs	10.00	35.00
Total	5.50 hrs		\$45.88
Average Productive Hourly Rate is \$45.88/5.50 hrs. = \$8.34			

**(d) Employer's Fringe Benefits Contribution**

A CCD has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them.

For example:

<u>Employer's Contribution</u>	<u>% of Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental Insurance	5.25%
Worker's Compensation	0.75%
Total	<u>28.65%</u>

**(e) Materials and Supplies**

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity, and cost. Purchases in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by the CCD.

**(f) Calculating a Unit Cost for Materials and Supplies**

In those instances where the P's & G's suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

**Table 1: Calculating A Unit Cost for Materials and Supplies**

<b>Supplies</b>	<b>Cost Per Unit</b>	<b>Amount of Supplies Used Per Activity</b>	<b>Unit Cost of Supplies Per Activity</b>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	<u>0.40</u>
			<u>\$0.64</u>

**Table 2: Calculating a Unit Cost for Materials and Supplies**

<b>Supplies</b>	<b>Supplies Used</b>	<b>Unit Cost of Supplies Per Activity</b>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	<u>2.00</u>
		<u>\$9.50</u>

If the number of reimbursable instances is 25, then the unit cost of supplies is \$0.38 per reimbursable instance (\$9.50/25).

**(g) Contract Services**

The cost of contract services is allowable if the CCD lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor, explain the

reason for having to hire a contractor, describe the mandated activities performed, give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the P's & G's for the mandated program. The contractor's invoice, or statement, which includes an itemized list of costs for activities performed, must accompany the claim.

**(h) Equipment Rental Costs**

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the P's & G's for the particular mandate. Equipment rentals used solely for the mandate is reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the pro rata portion of the rental costs can be claimed.

**(i) Capital Outlay**

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the P's & G's specify them as allowable. If they are allowable, the parameters and guidelines for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the pro rata portion of the purchase price used to implement the reimbursable activities can be claimed.

**(j) Travel Expenses**

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the P's & G's may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of the persons incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation, number of private auto miles traveled, and the cost of tolls and parking with receipts required for charges over \$10.00.

**(k) Documentation**

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

**8. Indirect Costs**

Indirect costs are: (a) Incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved. Indirect costs can originate in the department performing the mandate or in departments that supply the department performing the mandate with goods, services and facilities. To be allowable, a cost must be allocable to a particular cost objective. Indirect costs must be distributed to benefiting cost objectives on bases which produce an equitable result related to the benefits derived by the mandate.

A CCD may claim indirect costs using the Controller's methodology (FAM-29C) outlined in the following paragraphs. If specifically allowed by a mandated program's P's & G's, a district may alternately choose to claim indirect costs using either (1) a federally approved rate prepared in accordance with Office of Management and Budget (OMB) Circular A-21, *Cost Principles for Educational Institutions*; or (2) a flat 7% rate.

The SCO developed FAM-29C to be consistent with OMB Circular A-21, cost accounting principles as they apply to mandated cost programs. The objective is to determine an equitable rate to allocate administrative support to personnel who performed the mandated cost activities. The FAM-29C methodology uses a direct cost base comprised of salary and benefit costs and operating expenses. Form FAM-29C provides a consistent indirect cost rate methodology for all CCD's mandated cost programs.

FAM-29C uses total expenditures that districts report in their *California Community Colleges Annual Financial and Budget Report* (CCFS-311), Expenditures by Activity for the General Fund – Combined. The computation excludes Capital Outlay and Other Outgo in accordance with OMB Circular A-21. The indirect cost rate computation includes any depreciation or use allowance applicable to district buildings and equipment. Districts calculate depreciation or use allowance costs separately from the CCFS-311 report and should calculate them in accordance with OMB Circular A-21.

OMB Circular A-21, Section C.4, states that cost is allocable to a particular cost objective in accordance with the relative benefits received. Also, Section E.2.b. states that the overall objective of the cost allocation process is to distribute indirect costs to the institution's major functions in proportions reasonably consistent with their use of the institution's resources. In addition, Section E.2.c. notes that where certain items or categories of expense relate to less than all functions, such expenses should be set aside for selective allocation.

OMB Circular A-21, Section H, describes a simplified method for indirect cost rate calculations. However, Section H.1.b. states that the simplified method should not be used where it produces results that appear inequitable. As previously noted, FAM-29C strives to equitably allocate administrative support costs to personnel that perform mandated cost activities claimed by CCD. For example, library costs and department administration expenses, normally classified fully or partly as indirect costs in OMB Circular A-21, are instead classified as direct costs for FAM-29C. These costs do not benefit mandated cost activities. In summary, FAM-29C indirect costs include Operation and Maintenance of Plant; Planning, Policy Making, and Coordination; General Institutional Support Services (excluding Community Relations); and depreciation or use allowance. Community Relations includes fundraising costs, which are unallowable under OMB Circular A-21. If the district claims any costs from these indirect accounts as a direct mandate-related costs, the same costs should be reclassified as direct on FAM-29C.

Table 4 presents an example of the FAM-29C methodology.

Table 4: Indirect Cost Rate for Community Colleges

MANDATED COST INDIRECT COST RATE FOR COMMUNITY COLLEGE DISTRICTS					FORM FAM 29-C	
(1) Claimant			(02) Period of Claim			
Activity	EDP	Total Costs Per CCFS-311	Less: Capital Outlay and Other Outgo	FAM 29-C Adjusted Total	Indirect	Direct
Instructional Activities	599	\$ 51,792,408	\$ (230,904)	\$ 51,561,504		\$ 51,561,504
Instruct. Admin. & Instruct. Governance	6000	6,882,034	(216,518)	6,665,516		6,665,516
Instructional Support Services	6100	4,155,095	(9,348)	4,145,747		4,145,747
Admissions and Records	6200	2,104,543	(3,824)	2,100,719		2,100,719
Student Counseling and Guidance	6300	4,570,658	(1,605)	4,569,053		4,569,053
Other Student Services	6400	5,426,510	(41,046)	5,385,464		5,385,464
Operation and Maintenance of Plant	6500	8,528,585	(111,743)	8,416,842	8,416,842	
Planning, Policy Making, and Coordination	6600	5,015,333	(23,660)	4,991,673	4,991,673	
General Institutional Support Services	6700			-		
Community Relations	6710	885,089	(6,091)	878,998		878,998
Fiscal Operations	6720	1,891,424	(40,854)	1,850,570	1,850,570	
Human Resources Management	6730	1,378,288	(25,899)	1,352,389	1,352,389	
Non-instructional Staff Retirees' Benefits and Retirement Incentives	6740	1,011,060		1,011,060	1,011,060	
Staff Development	6750	108,655	(8,782)	99,873	99,873	
Staff Diversity	6760	30,125		30,125	30,125	
Logistical Services	6770	2,790,091	(244,746)	2,545,345	2,545,345	
Management Information Systems	6780	2,595,214	(496,861)	2,098,353	2,098,353	
Other General Institutional Support Services	6790	33,155	(4,435)	28,720	28,720	
Community Services and Economic Development	6800	340,014		340,014		340,014
Ancillary Services	6900	1,148,730	(296)	1,148,434		1,148,434
Auxiliary Operations	7000			-		-
Depreciation or Use Allowance - Building				-	2,620,741	
Depreciation or Use Allowance - Equipment				-	1,706,396	
<b>Totals</b>		<u>\$100,687,011</u>	<u>\$ (1,466,612)</u>	<u>\$ 99,220,399</u>	<u>\$26,752,087</u>	<u>\$ 76,795,449</u>
					(A)	(B)
<b>Indirect Cost Rate (A)/(B)</b>					34.84%	

## 9. Time Study Guidelines

### Background

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a formula for reimbursing CCD costs mandated by the state that meets certain conditions specified in GC Section 17518.5(a). For costs incurred prior to January 1, 2005, a time study can only be substituted for continuous records of actual time spent for a specific fiscal year if the program's P's & G's allows for the use of time studies.

Two methods are acceptable for documenting employee time charged to mandated cost programs: Actual Time Reporting and Time Study, which are described below. Application of time study results is restricted. As explained in Time Study Results below, the results may be projected forward a maximum of two years provided the claimant meets certain criteria.

### Actual Time Reporting

The P's & G's define reimbursable activities for each mandated cost program. Some P's & G's refer to reimbursable activities as reimbursable components. When employees work on multiple activities and/or programs, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards which clarify documentation requirements discussed under the Reimbursable Activities section of recent P's & G's:

- They must reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for time distribution.

### Time Study

In certain cases, a time study may be used to substitute for continuous records of actual time spent on multiple activities and/or programs. An effective time study requires that an activity be a task that is repetitive in nature. Activities that require a varying level of effort are not appropriate for time studies.

### Time Study Plan

A time study plan is necessary before conducting the time study. The claimant must retain the time study plan for audit purposes. The plan needs to identify the following:

- Time period(s) to be studied: The plan must show that all time periods selected are representative of the fiscal year, and that the results can be reasonably projected to approximate actual costs.
- Activities and/or programs to be studied: For each mandated program included, the time study must separately identify each reimbursable activity defined in the mandated program's P's & G's, which are derived from the program's Statement of Decision. If a reimbursable activity in the P's & G's identifies separate and distinct sub-activities, they must also be treated as individual activities.



For example, sub-activities (a), (b), and (c) under reimbursable activity (B)(1) of the local agency's Domestic Violence Treatment Services: Authorization and Case Management program relate to information to be discussed during victim notification by the probation department and therefore are not separate and distinct activities. These sub-activities do not have to be separately studied.

- Process used to accomplish each reimbursable activity: Use flowcharts or similar analytical tools and/or written desk procedures to describe the process for each activity.
- Employee universe: The employee universe used in the time study must include all positions whose salaries and wages are to be allocated by means of the time study.
- Employee sample selection methodology: The plan must show that employees selected are representative of the employee universe, and the results can be reasonably projected to approximate actual costs. In addition, the employee sample size should be proportional to the variation in time spent to perform a task. The sample size should be larger for tasks with significant time variations.
- Time increments to be recorded: The time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) might be used for employees performing only a few functions that change very slowly over time. Very small increments (a number of minutes) may be needed for employees performing more short-term tasks.

Random moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

### Time Study Documentation

Time studies must:

- Be supported by time records that are completed contemporaneously;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities and/or programs performed during a specific time period; and
- Coincide with one or more pay periods.

Time records must be signed by the employee (electronic signatures are acceptable) and be supported by corroborating evidence which validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

### Time Study Results

Time study results must be summarized to show how the time study supports the costs claimed for each activity. Any variations from the procedures identified in the original time study plan must be documented and explained.

Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant may not apply time study results retroactively.

- Annual Reimbursement Claims: Claimants may use time studies to support costs incurred on or after January 1, 2005. Claimants may not use time studies for the period July 1, 2004,

through December 31, 2004, unless (1) the program's P's & G's specifically allow time studies, and (2) the time study is prepared based on mandated activity occurring between July 1, 2004, and December 31, 2004.

- **Initial Claims:** When filing an initial claim for new mandated programs, claimants may only use time study results for costs incurred on or after January 1, 2005. Claimants may not use time studies to support costs incurred before January 1, 2005, unless (1) the program's P's & G's specifically allow time studies, and (2) the claimant prepares separate time studies for each fiscal year preceding January 1, 2005, based on mandated activity occurring during those years.

When projecting time study results, the claimant must certify that there have been no significant changes between years in either: (1) the requirements of each mandated program activity or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain corroborating evidence that validates the mandated activity was actually performed. Time study results used to support subsequent years' claims are subject to the recordkeeping requirements for those claims.

## 10. Offset Against State Mandated Claims

As noted previously, allowable costs are defined as those direct and indirect costs, less applicable credits, considered to be eligible for reimbursement. When all or part of the costs of a mandated program are specifically reimbursable from local assistance revenue sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from CCD funds is eligible for reimbursement under the provisions of GC Section 17561.

### Example 1:

As illustrated in Table 5, this example shows how the "Offset Against State Mandated Claims" is determined for a CCD receiving block grant revenues not based on a formula allocation. Program costs for each situation equals \$100,000.

**Table 5: Offset Against State Mandates, Example 1**

	Program Costs	Actual Local Assistance Revenues	State Mandated Costs	Offset Against State Mandated Claims	Claimable Mandated Costs
1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250
6.	100,000 *	49,000	2,500	250	2,250

\* CCD share is \$50,000 of the program cost.

Numbers (1) through (4), in Table 5, show intended funding at 100% from local assistance revenue sources. Numbers (5) and (6) show cost sharing on a 50/50 basis with the district. In numbers (1) through (6), included in the program costs of \$100,000 are state mandated costs of \$2,500. The offset against state mandated claims are the amount of actual local assistance revenues, which exceeds the difference between program costs and state mandated costs. This offset cannot exceed the amount of state mandated costs.

In (1), local assistance revenues were less than expected. Local assistance funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs.

In (4), local assistance revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500, and claimable costs are \$0.

In (5), the district is sharing 50% of the project cost. Since local assistance revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

In (6), local assistance revenues were less than the amount expended and the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

**Example 2:**

As illustrated in Table 6, this example shows how the offset against state mandated claims is determined for a CCD receiving special project funds based on approved actual costs. Local assistance revenues for special projects must be applied proportionately to approve costs.

**Table 6: Offset Against State Mandates, Example 2**

	<b>Program Costs</b>	<b>Actual Local Assistance Revenues</b>	<b>State Mandated Costs</b>	<b>Offset Against State Mandated Claims</b>	<b>Claimable Mandated Costs</b>
1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625
3.	100,000 **	45,000	1,500	1,125	375

\*\* CCD share is \$25,000 of the program cost.

In (2), the entire program cost was approved. Since the local assistance revenue source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

If in (3) local assistance revenues are less than the amount expected because only \$60,000 of the \$100,000 program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claims is \$1,125. Therefore, the claimable mandated costs are \$375.

**Federal and State Funding Sources**

State school fund apportionments and federal aid for education, which are based on average daily attendance and are part of the general system of financing public schools as well as block grants which do not provide for specific reimbursement of costs (i.e., allocation formulas not tied to expenditures), should not be included as reimbursements from local assistance revenue sources.

**Governing Authority**

The costs of salaries and expenses of the governing authority, such as the school superintendent and governing board, are not reimbursable. These are costs of general government as described in the Office of Management and Budget Circular (OMB) 2 CFR Part 225.

### 11. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. If any adjustments are made to a claim, the claimant will receive a "Notice of Claim Adjustments" detailing adjustments made by the SCO.

### 12. Audit of Costs

All claims submitted to the State Controller's Office (SCO) are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment will be mailed within 30 days after payment of the claim.

Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by CCD pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed no later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of three years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for three years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

### 13. Source Documents

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

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

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a formula for reimbursing a CCD mandated by the state that meets certain conditions specified in 17518.5(a). For costs incurred prior to January 1, 2005, time study can substitute for continuous records of actual time spent for a specific fiscal year only if the program's P's & G's allow for the use of time studies.

## 14. Claim Forms and Instructions

A claimant may submit a computer generated report in substitution for Form-1 and Form-2, provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file an estimated or reimbursement claim. The SCO will revise the manual and claim forms as necessary.

### A. Form-2, Component/Activity Cost Detail

This form is used to segregate the detail costs by claim component. In some mandates, specific reimbursable activities have been identified for each component. The expenses reported on this form must be supported by the official financial records of the claimant and copies of supporting documentation, as specified in the claiming instructions, must be submitted with the claims. All supporting documents must be retained for a period of not less than three years after the reimbursement claim was filed or last amended.

### B. Form-1, Claim Summary

This form is used to summarize direct costs by component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

A CCD has the option of using a federally approved rate (i.e., utilizing the cost accounting principles from the Office of Management and Budget (OMB) 2, CFR Part 225) or from form FAM-29C.

### C. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized officer of the CCD. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 are required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment, and all other forms and supporting documents (**To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.**) Use the following mailing addresses:

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

If delivered by  
Other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

## 15. Retention of Claiming Instructions

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the School Mandated Cost Manual and the old forms they replace should be removed. The instructions should then be retained permanently for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the

year will be placed on the SCO's web site at [www.sco.ca.gov/ard/local/locreim/index.shtml](http://www.sco.ca.gov/ard/local/locreim/index.shtml).

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, or send e-mail to [lrsdar@sco.ca.gov](mailto:lrsdar@sco.ca.gov), or call the Local Reimbursements Section at (916) 324-5729.

#### **16. Retention of Claim Records and Supporting Documentation**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and that the claim was prepared in accordance with the SCO's claiming instructions and the COSM's P's and G's. If any adjustments are made to a claim, a "Notice of Claim Adjustments" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a school district is subject to audit by the SCO no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the SCO to initiate an audit shall commence to run from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and shall be made available to the SCO on request.



## FILING A CLAIM

### 1. Introduction

The law in the State of California, (GC Sections 17500 through 17617), provides for the reimbursement of costs incurred by community college districts (CCD) for costs mandated by the State. Costs mandated by the State means any increased costs which a CCD is required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

A reimbursement claim is defined in GC Section 17522 as any claim filed with the State Controller's Office by a CCD for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. An actual claim for the 2007-08 fiscal year, may be filed by February 15, 2009, without a late penalty. If the filing deadline falls on a weekend or holiday, the filing deadline will be the next business day. Since the 15th falls on a weekend in 2009, claims will be accepted without penalty if postmarked or delivered on before February 17th, 2009. Ongoing reimbursement claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. Amended claims filed after the filing deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Initial reimbursement claims filed after the filing deadline will be reduced by a late penalty of 10% with no limitation. Claims filed more than one year after the deadline will not be accepted by the SCO.

In order for a claim to be considered properly filed, it must include documentation to support the indirect cost rate if the indirect cost rate exceeds 7 percent. A more detailed discussion of the indirect cost methods available to community colleges may be found in Section 9 of these instructions. Documentation to support actual costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of these instructions.

When a program has been reimbursed for three or more years, the Commission on State Mandates (CSM) may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement do not need to file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds become available.

These claiming instructions are issued to help claimants prepare paper, and/or electronic mandated cost claims, for submission to the SCO. These instructions are based upon the State of California statutes, regulations, and parameters and guidelines (P's & G's) adopted by the CSM. Since each mandate is administered separately, it is important to refer to the P's and G's for each program for information relating to established policies and eligible reimbursable costs.

### 2. Electronic Filing: Local Government e-Claims (LGeC)

LGeC enables claimants and their consultants to securely prepare and submit mandated cost claims via the Internet. LGeC uses a series of data input screens to collect the information needed to prepare a claim and provides a web service so claims can be uploaded in batch files. LGeC also incorporates an attachment feature so claimants can electronically attach supporting documentation if required. The only documentation required to be submitted with the claim is the



support for the indirect cost rate if the indirect cost rate exceeds 10%. A more detailed discussion of the indirect cost methodologies available to community colleges may be found in Section 9 of this manual. All other documentation to support actual costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of this manual.

The LGeC system provides an easy and straightforward approach to the claiming process. Filing claims using LGeC eliminates the manual preparation and submission of paper claims by CCDs and the receiving, processing, key entry, verification, and storage of the paper claims by the SCO. LGeC also provides mathematical checks and automated error detection to reduce erroneous and incomplete claims, provides the State with an electronic workflow process, and stores the claims in an electronic format. Making the change from paper claims to electronic claims reduces the manual handling of paper claims and decreases the costs incurred for postage, handling, and storage of claims filed using the LGeC system.

In order to use the LGeC system you will need to obtain a user ID and password for each person who will access the LGeC system. To obtain a User ID and password you must file an application with the SCO. The application and instructions are available on the LGeC website located at <https://www.sco/ard/local/lgec/index.shtml>. Complete the application and other documents as requested and mail them to the SCO using the address provided in the instructions. The SCO will process the application and issue a User ID and password to each applicant.

In addition, you may want to subscribe to an email distribution list to automatically receive timely, comprehensive information regarding mandated cost claim receipts, payments, test claims, guidelines, electronic claims, and other news and updates. You also will receive related audit reports and mandate information disseminated by other state agencies.

You can find more information about LGeC and the email distribution lists at <https://www.sco/ard/local/lgec/index.shtml>. This website provides access to the LGeC system, an application for User ID's and passwords, an instructional guide, FAQ's and additional help files. Questions about the information on this website may be directed to [LRS DAR@sco.ca.gov](mailto:LRS DAR@sco.ca.gov), or to Angie Lowi Teng at the Division of Accounting and Reporting, Local Reimbursements Section, Local Government e-Claims, (916) 323-0706.

### 3. Types of Claims

Claimants may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program, would receive an automatic annual payment which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable.

#### A. Reimbursement Claim

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a CCD for reimbursement of costs incurred for which an appropriation is made for paying the claim.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal year(s) of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual ongoing reimbursement claims must be filed by February 15<sup>th</sup> following the fiscal year in

which costs were incurred for the program. If the filing deadline falls on a weekend or holiday, the filing deadline will be the next business day. Since February 15<sup>th</sup> falls on a weekend in 2009, claims will be accepted without penalty if postmarked or delivered on before February 17<sup>th</sup>, 2009.

In order for a claim to be considered properly filed, it must include documentation to support the indirect cost rate if the indirect cost rate exceeds seven percent. A more detailed discussion of the indirect cost methods available to community colleges may be found in Section 9 of this manual.

Documentation to support actual costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of this manual.

#### **B. Estimated Claims**

Pursuant to AB 8, Chapter 6, Statutes of 2008, the option to file estimated claims has been eliminated. Therefore, estimated claims filed on or after February 17, 2008, will not be accepted for reimbursement.

#### **C. Entitlement Claim**

An entitlement claim is defined in GC Section 17522 as any claim filed by a CCD with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated cost program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims should be filed by February 15<sup>th</sup>, following the third fiscal year used to develop the entitlement claim, to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs.

The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the IPD of costs of goods and services to governmental agencies, as determined by the State Department of Finance. For programs approved by the CSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three year base period is adjusted according to any changes by both the IPD and average daily attendance (ADA).

The SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, form FAM-43, to establish a base year entitlement. The form FAM-43 is included in the claiming instructions for SMAS programs. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS. Annual apportionments for programs included in the SMAS system are paid on or before November 30<sup>th</sup> of each year.

#### **4. Minimum Claim Amount**

For initial claims and annual claims filed on or after September 30, 2002, if the total costs for a given year do not exceed \$1,000 no reimbursement shall be allowed except as otherwise allowed by GC Section 17564.

#### **5. Filing Deadline for Claims**

Pursuant to GC Section 17561(d) initial reimbursement claims (first time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date the SCO issues the claiming instructions for the program.

When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs.

Initial reimbursement claims filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty.

In no case may a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates.

Pursuant to GC Section 17560, annual reimbursement claims (recurring claims) for costs incurred during the previous fiscal year must be filed with the SCO and postmarked on or before February 15th following the fiscal year in which costs were incurred. If the filing deadline falls on a weekend or holiday, the filing deadline will be the next business day. Since February 15th falls on a weekend in 2009, claims will be accepted without penalty if postmarked or delivered on or before February 17th, 2009.

If the annual reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$10,000. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Claims filed more than one year after the deadline cannot be accepted for reimbursement.

Entitlement claims do not have a filing deadline. However, entitlement claims should be filed by February 15th to permit orderly processing of the claims.

## 6. Payment of Claims

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer. When using the LGeC system the logon id and password of the authorized officer is used for the signature and is applied by the LGeC system when the claim is submitted. Pursuant to GC 17561(d), reimbursement claims are paid by August 15, or 45 days after the date the appropriation for the claim is effective, whichever is later. In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate. The SCO may withhold up to 20 percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs.

The SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature, who consider appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the CSM which will include these amounts in its report to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. Any balances remaining on these claims will be paid when supplementary funds are made available.

Unless specified in the statutes, regulations, or P's & G's, the determination of allowable and unallowable costs for mandates is based on the P's & G's adopted by the CSM. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the CSM. The SCO determines allowable reimbursable costs, subject to amendment by the CSM, for mandates funded by special legislation. Allowable costs are those direct and indirect costs, less applicable credits, considered eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carry out the overall responsibilities of government.
2. The cost is allocable to a particular cost objective identified in the P's & G's.
3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that should not be claimed as direct program costs unless specified as reimbursable under the program's P's & G's. These costs include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops, general education, and travel costs.

#### **7. State Mandates Apportionment System (SMAS)**

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the CSM.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each CCD that has submitted reimbursement claims (or entitlement claims) for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims (or entitlement claims) for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in the IPD, which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the CSM's approval.

Each CCD with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The apportionment amount is adjusted annually for any change in the IPD. If the mandated program was included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and ADA.

In the event a CCD has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the CCD may file an entitlement claim for each of those missed years to establish a base year entitlement. An "entitlement claim" means any claim filed by a CCD with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any nonrecurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30<sup>th</sup>. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the CCD determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based is set forth in GC Section 17615.8 and requires the approval of the CSM.

**8. Direct Costs**

A direct cost is a cost that can be identified specifically with a particular program or activity. Documentation to support direct costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of these instructions. Costs typically classified as direct costs are:

**(1) Employee Wages, Salaries, and Fringe Benefits**

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may use a productive hourly rate in-lieu of reporting actual compensation and fringe benefits:

**(a) Productive Hourly Rate Options**

A CCD may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claimant must maintain documentation of how these hours were computed. Documentation to support these costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of these instructions.

\* 1,800 annual productive hours excludes the following employee time:

- Paid holidays;
- Vacation earned;
- Sick leave taken;
- Informal time off;
- Jury duty;
- Military leave taken.

**(b) Compute a Productive Hourly Rate**

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

**Table 1: Productive Hourly Rate, Annual Salary + Benefits Method**

Formula:	Description:
$[(EAS + Benefits) \div APH] = PHR$	EAS = Employee's Annual Salary APH = Annual Productive Hours PHR = Productive Hourly Rate
$[(\$26,000 + \$8,099) \div 1,800 \text{ hrs}] = 18.94$	

- As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to EAS, multiply the biweekly salary by 26. To convert a monthly salary to EAS, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.

2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

**Table 2: Productive Hourly Rate, Percent of Salary Method**

<b>Example:</b>			
<b>Step 1: Fringe Benefits as a Percent of Salary</b>		<b>Step 2: Productive Hourly Rate</b>	
Retirement	15.00 %	<b>Formula:</b>	
Social Security & Medicare	7.65	$[(EAS \times (1 + FBR)) \div APH] = PHR$	
Health & Dental Insurance	5.25		
Workers Compensation	3.25	$[(\$26,000 \times (1.3115)) \div 1,800] = \$18.94$	
<b>Total</b>	<b>31.15 %</b>		
<b>Description:</b>			
EAS = Employee's Annual Salary		APH = Annual Productive Hours	
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate	

- As illustrated in Table 3, both methods produce the same productive hourly rate.

Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, workers compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:

- The amount of compensation is reasonable for the service rendered.
- The compensation paid and benefits received are appropriately authorized by the governing board.
- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.
- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level position, performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at a higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours

are not reimbursable. Documentation to support these costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of these instructions.

**(c) Calculating an Average Productive Hourly Rate**

In those instances where the P's & G's allow a unit as a basis of claiming costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

**Table 3: Calculating an Average Productive Hourly Rate**

	<u>Time Spent</u>	<u>Productive Hourly Rate</u>	<u>Total Cost by Employee</u>
Employee A	1.25 hrs	\$6.00	\$7.50
Employee B	0.75 hrs	4.50	3.38
Employee C	3.50 hrs	10.00	35.00
Total	5.50 hrs		\$45.88
Average Productive Hourly Rate is \$45.88/5.50 hrs. = \$8.34			

**(d) Employer's Fringe Benefits Contribution**

A CCD has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them. Documentation to support these costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of these instructions. For example:

<u>Employer's Contribution</u>	<u>% of Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental	5.25%
Insurance	
Worker's Compensation	0.75%
Total	<u>28.65%</u>

**(e) Materials and Supplies**

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by the CCD. Documentation to support these costs must be kept on hand by

the claimant and made available to the SCO upon request as explained in Section 17 of these instructions.

**(f) Calculating a Unit Cost for Materials and Supplies**

In those instances where the P's & G's suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

**Table 1: Calculating A Unit Cost for Materials and Supplies**

Supplies	<u>Cost Per Unit</u>	Amount of Supplies Used <u>Per Activity</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	<u>0.40</u>
			<u>\$0.64</u>

**Table 2: Calculating a Unit Cost for Materials and Supplies**

Supplies	Supplies <u>Used</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	<u>2.00</u>
		<u>\$9.50</u>

If the number of reimbursable instances is 25, then the unit cost of supplies is \$0.38 per reimbursable instance (\$9.50/25).

**(g) Contract Services**

The cost of contract services is allowable if the CCD lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must keep documentation on hand to support the name of the contractor, explain the reason for having to hire a contractor, describe the mandated activities performed, give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the P's & G's for the mandated program. The contractor's invoice, or statement, which includes an itemized list of costs for activities performed. Documentation to support these costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of these instructions.

**(h) Equipment Rental Costs**



Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the P's & G's for the particular mandate. Equipment rentals used solely for the mandate are reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must maintain documentation to support the purpose and use for the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the pro rata portion of the rental costs can be claimed. Documentation to support these costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of these instructions.

**(i) Capital Outlay**

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the P's & G's specify them as allowable. If they are allowable, the P's & G's for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the pro rata portion of the purchase price used to implement the reimbursable activities can be claimed. Documentation to support these costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of these instructions.

**(j) Travel Expenses**

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the P's & G's may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must maintain documentation to support the purpose of the trip, the name and address of the persons incurring the expense, the date and time of departure and return, a description of each expense claimed, and the cost of transportation, number of private auto miles traveled, and the cost of tolls and parking. Receipts are required for charges over \$10.00. Documentation to support these costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of these instructions.

**(k) Documentation**

It is the responsibility of the claimant to maintain documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate. The documentation supporting these costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of these instructions.

**9. Indirect Costs**

Indirect costs are: (a) Incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved. Indirect costs can originate in the department performing the mandate or in departments that supply the department performing the mandate with goods, services, and facilities. To be allowable, a cost must be allocable to a particular cost objective. Indirect costs must be distributed to benefiting cost objectives on bases which produce an equitable result related to the benefits derived by the mandate.

A CCD may claim indirect costs using the Controller's methodology (FAM-29C), or if specifically allowed by a mandated cost program's P's & G's, a district may choose to claim indirect costs using

either (1) a federally approved rate prepared in accordance with the Office of Management and Budget (OMB) Circular A-21, *Cost Principles for Educational Institutions*; or (2) a flat 7% rate. The FAM-29C indirect cost rate and the flat 7% indirect cost rate are applied to *Salaries and Benefits Only*, whereas the federally approved rate is applied to the allocation base used in developing the federally approved rate.

If indirect costs are calculated using the OMB Circular A-21 methodology with a base other than *Salaries and Benefits Only*, the claim cannot be filed using the Local Government e-Claims system as LGeC does not support cost bases other than *Salaries and Benefits Only*. Instead, these claims must be filed manually using paper forms.

However, if indirect costs are calculated using the OMB Circular A-21 methodology using *Salaries and Benefits Only* in the base, then the claims can be filed using either the LGeC system or the manual paper process. In these cases, the indirect cost rate is calculated in accordance with the chosen methodology and keyed into the mandated cost form on the appropriate line (usually Form 1, line (06)), *Indirect Cost Rate*. The LGeC system will apply that rate to *Salaries and Benefits Only* (usually Form 1, line (5)(a)) to arrive at the total indirect costs (usually Form 1, line (7)). If the rate is applied to anything other than *Salaries and Benefits Only*, then the claim must be filed manually using paper forms.

The SCO developed form FAM-29C to be consistent with the OMB Circular A-21 cost accounting principles as they apply to mandated cost programs. The objective is to determine an equitable rate to allocate administrative support to personnel who performed the mandated cost activities. The methodology used in form FAM-29C is a direct cost base comprised of salary and benefit costs. This provides a consistent indirect cost rate methodology for all CCD's mandated cost programs.

FAM-29C uses expenditures that districts report in their California Community Colleges Annual Financial and Budget Report (CCFS-311), Expenditures by Activity for the General Fund – Combined. The computation excludes capital outlay and other outgo in accordance with the OMB Circular A-21. The indirect cost rate computation includes any depreciation or use allowance applicable to district buildings and equipment. Districts calculate depreciation or use allowance costs separately from the CCFS-311 report and should calculate them in accordance with the OMB Circular A-21.

The OMB Circular A-21, Section C.4, states that a cost is allocable to a particular cost objective in accordance with the relative benefits received. Also, Section E.2.b., states that the overall objective of the cost allocation process is to distribute indirect costs to the institution's major functions in proportions reasonably consistent with their use of the institution's resources. In addition, Section E.2.c. notes that where certain items or categories of expense relate to less than all functions, such expenses should be set aside for selective allocation.

The OMB Circular A-21, Section H, describes a simplified method for indirect cost rate calculations. However, Section H.1.b. states that the simplified method should not be used where it produces results that appear inequitable. As previously noted, FAM-29C strives to equitably allocate administrative support costs to personnel that perform mandated cost activities claimed by CCD's. For example, library costs and department administration expenses, normally classified fully or partly as indirect costs in the OMB Circular A-21, are instead classified as direct costs for FAM-29C. These costs do not benefit mandated cost activities. In summary, FAM-29C indirect costs include operation and maintenance of plant; planning, policy making, and coordination; general institutional support services (excluding community relations); and depreciation or use allowance. Community relations include fundraising costs, which are unallowable under OMB Circular A-21. If the district claims any costs from these indirect accounts as direct mandate-related costs, the same costs should be reclassified as direct on FAM-29C.

Table 4 presents an example of the FAM-29C methodology.

Table 4: Indirect Cost Rate for Community Colleges

MANDATED COST			FORM		
INDIRECT COST RATE FOR COMMUNITY COLLEGE DISTRICTS			FAM 29-C		
(1) Claimant					
Activity	EDP	Salaries and Benefits per CCFS-311	Operating Expenses per CCFS-311	Indirect-Salaries, Benefits, and Operating Expenses	Direct-Salaries and Benefits only
Instructional Activities	599	\$46,249,931	\$ 8,289,190		\$ 46,249,931
Instruct. Admin. & Instruct. Governance	6000	5,181,935	631,615		5,181,935
Instructional Support Services	6100	4,361,061	445,196		4,361,061
Admissions and Records	6200	1,251,539	96,634		1,251,539
Student Counseling and Guidance	6300	3,373,121	80,201		3,373,121
Other Student Services	6400	5,511,511	1,116,904		5,511,511
Operation and Maintenance of Plant	6500	5,192,099	3,192,398	8,384,497	
Planning, Policy Making, and Coordination	6600	2,562,909	1,096,833	3,659,742	
General Institutional Support Services	6700				
Community Relations	6710	446,207	228,320	674,527	
Fiscal Operations	6720	2,342,316	315,019	2,657,335	
Human Resources Management	6730	1,057,387	102,600	1,159,987	
Non-instructional Staff Retirees' Benefits and Retirement Incentives	6740	1,327,125	-	1,327,125	
Staff Development	6750	1,295	34,931	36,226	
Staff Diversity	6760	449,392	394,915	844,307	
Logistical Services	6770	2,853,609	354,953	3,208,562	
Management Information Systems	6780	2,386,511	894,685	3,281,196	
Other General Institutional Support Services	6790	19,635	1,679	21,314	
Community Services and Economic Development	6800	963,036	688,648		963,036
Ancillary Services	6900	723,450	224,961		723,450
Auxiliary Operations	7000	565,859	12,179.00		565,859
Depreciation or Use Allowance - Building				2,620,741	
Depreciation or Use Allowance - Equipment				721,097	
<b>Totals</b>		<u>\$86,819,928</u>	<u>\$ 18,201,861</u>	<u>\$28,596,656</u>	<u>\$68,181,443</u>
				(A)	(B)
				<u>41.94%</u>	
<b>Indirect Cost Rate (A)/(B)</b>					

## 10. Time Study Guidelines

### Background

A reasonable reimbursement methodology, which meets certain conditions specified in Government Code section 17518.5, subdivision (a), can be used as a "formula for reimbursing local agency and school district costs mandated by the state."

Two methods are acceptable for documenting employee time charged to mandated cost programs: Actual Time Reporting and Time Study. These methods are described below. Application of time study results is restricted. As explained in the Time Study Results section below, the results may be projected forward a maximum of two years or applied retroactively to initial claims, current-year claims, and late-filed claims, provided certain criteria are met.

### Actual Time Reporting

Each program's parameters and guidelines define reimbursable activities for the mandated cost program. (Some parameters and guidelines refer to reimbursable activities as reimbursable components.) When employees work on multiple activities and/or programs, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards (which clarify documentation requirements discussed in the Reimbursable Activities section of recent parameters and guidelines):

- They must reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for actual time reporting.

### Time Study

In certain cases, a time study may be used as a substitute for continuous records of actual time spent on multiple activities and/or programs. A time study can be used for an activity when the task is repetitive in nature. Activities that require varying levels of effort are not appropriate for time studies.

### Time Study Plan

The claimant must develop a time study plan before a time study is conducted. The claimant must retain the time study plan for audit purposes. The plan must identify the following:

- Time period(s) to be studied - the plan must show that all time periods selected are representative of the fiscal year and that the results can be reasonably projected to approximate actual costs.
- Activities and/or programs to be studied - for each mandated program included, the time study must separately identify each reimbursable activity defined in the mandated program's parameters and guidelines, which are derived from the program's statement of decision. If a reimbursable activity in the parameters and guidelines identifies separate and distinct sub-activities, these sub-activities also must be treated as individual activities.

For example, sub-activities (a), (b), and (c) under reimbursable activity (B)(1) of the local

agency's Domestic Violence Treatment Services: Authorization and Case Management Program, relate to information to be discussed during victim notification by the probation department and therefore are not separate and distinct activities. It is not necessary to separately study these sub-activities.

- Process used to accomplish each reimbursable activity - use flowcharts or similar analytical tools and/or written desk procedures to describe the process followed to complete each activity.
- Employee universe - the employee universe used in the time study must include all positions whose salaries and wages are to be allocated by means of the time study.
- Employee sample selection methodology - the plan must show that employees selected are representative of the employee universe and that the results can be reasonably projected to approximate actual costs. In addition, the employee sample size should be proportional to the variation in time spent to perform a task. The sample size should be larger for tasks with significant time variations.
- Time increments to be recorded - the time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) can be used for employees performing only a few functions that change very slowly over time. Small increments (a number of minutes) can be used for employees performing more short-term tasks.

Random-moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random-moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

### **Time Study Documentation**

Time studies must:

- Be supported by time records that are completed contemporaneously;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities and/or programs performed during a specific time period; and
- Coincide with one or more pay periods.

Time records must be signed by the employee and be supported by documentation that validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

### **Time Study Results**

Claimants must summarize time study results to show how the time study supports the costs claimed for each activity. Any variations from the procedures identified in the original time study plan must be documented and explained. Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant also may apply time study results retroactively to initial claims, current-year claims, and late-filed claims.

When projecting time study results, the claimant must certify that no significant changes have occurred between years in either (1) the requirements of each mandated program activity; or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must

maintain documentation that shows that the mandated activity was actually performed. Time study results used to support claims are subject to the record-keeping requirements for those claims.

### 11. Offset Against State Mandated Claims

As noted previously, allowable costs are defined as those direct and indirect costs, less applicable credits, considered eligible for reimbursement. When all or part of the costs of a mandated program are specifically reimbursable from local assistance revenue sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from CCD funds is eligible for reimbursement under the provisions of GC Section 17561.

#### Example 1:

As illustrated in Table 5, this example shows how the "Offset Against State Mandated Claims" is determined for a CCD receiving block grant revenues not based on a formula allocation. Program costs for each situation equals \$100,000.

**Table 5: Offset Against State Mandates, Example 1**

	Program Costs	Actual Local Assistance Revenues	State Mandated Costs	Offset Against State Mandated Claims	Claimable Mandated Costs
1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250
6.	100,000 *	49,000	2,500	250	2,250

\* CCD share is \$50,000 of the program cost.

Numbers (1) through (4), in Table 5, show intended funding at 100% from local assistance revenue sources. Numbers (5) and (6) show cost sharing on a 50/50 basis with the district. In numbers (1) through (6), included in the program costs of \$100,000 are state mandated costs of \$2,500. The offset against state mandated claims are the amount of actual local assistance revenues, which exceeds the difference between program costs and state mandated costs. This offset cannot exceed the amount of state mandated costs.

In (1), local assistance revenues were less than expected. Local assistance funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs.

In (4), local assistance revenues were fully realized to cover the entire cost of the program, including the state mandated activity; therefore, the offset against state mandated claims is \$2,500, and claimable cost is \$0.

In (5), the district is sharing 50% of the project cost. Since local assistance revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

In (6), local assistance revenues were less than the amount expended and the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

**Example 2:**

As illustrated in Table 6, this example shows how the offset against state mandated claims is determined for a CCD receiving special project funds based on approved actual costs. Local assistance revenues for special projects must be applied proportionately to approve costs.

**Table 6: Offset Against State Mandates, Example 2**

	Program Costs	Actual Local Assistance Revenues	State Mandated Costs	Offset Against State Mandated Claims	Claimable Mandated Costs
1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625
3.	100,000 **	45,000	1,500	1,125	375

\*\* CCD share is \$25,000 of the program cost.

In (2), the entire program cost was approved. Since the local assistance revenue source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

If in (3) local assistance revenues are less than the amount expected because only \$60,000 of the \$100,000 program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claims is \$1,125. Therefore, the claimable mandated costs are \$375.

**Federal and State Funding Sources**

State school fund apportionments and federal aid for education, which are based on ADA and are part of the general system of financing public schools as well as block grants which do not provide for specific reimbursement of costs (i.e., allocation formulas not tied to expenditures), should not be included as reimbursements from local assistance revenue sources.

**Governing Authority**

The costs of salaries and expenses of the governing authority, such as the school superintendent and governing board, are not reimbursable. These are costs of general government as described in the Office of Management and Budget Circular (OMB) 2 CFR Part 225.

**12. Notice of Claim Adjustment**

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. Claimants will receive a "Notice of Claim Adjustments" detailing any adjustments made by the SCO.

**13. Audit of Costs**

Pursuant to GC section 17558.5, subdivision (b), The SCO may conduct a field review of any claim after the claim has been submitted, prior to the reimbursement of the claim, to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the CSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to GC section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a community college district for this mandate is subject to the initiation of an audit by SCO no later than three years after the date that the actual reimbursement claim is filed or last amended,

whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for SCO to initiate an audit shall commence to run from the date of initial payment of the claim.

In any case, an audit shall be completed no later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by SCO during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. On-site audits will be conducted by SCO as deemed necessary.

All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents must be maintained by the claimant and made available to the SCO upon request as discussed in Section 17 of this manual.

#### **14. Source Documents**

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

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

All documents used to support the reimbursable activities must be retained during the period subject to audit and must be made available to the SCO upon request as discussed in Section 17 of this manual.

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used for reimbursing a CCD that meets certain conditions specified in 17518.5(a).

#### **15. Claim Forms and Instructions**

A claimant may submit a computer generated report in substitution for Form-1 and Form-2, provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file reimbursement claims. The SCO will revise the manual and claim forms as necessary.

##### **A. Form-2, Activity Cost Detail**

This form is used to segregate the detail costs by claim activity. In some mandates, specific reimbursable activities have been identified for each activity. The expenses reported on this form must be supported by the official financial records of the claimant. All documents used to support the reimbursable activities must be retained by the claimant and must be made available to the SCO upon request



**B. Form-1, Claim Summary**

This form is used to summarize direct costs by activity and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

**C. Form FAM-27, Claim for Payment**

This form contains a certification that must be signed by an authorized officer of the CCD. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 are required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment. **(To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

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

If delivered by  
Other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

**16. Retention of Claiming Instructions**

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. This Community College Mandated Cost Manual should be retained permanently for future reference, and the forms should be duplicated to meet your filing requirements. Annually, new or revised forms, instructions, and any other information claimants may need to file claims will be placed on the SCO's Web site located at [www.sco.ca.gov/ard/local/locreim/index.shtml](http://www.sco.ca.gov/ard/local/locreim/index.shtml).

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, or by e-mail to [lrsdar@sco.ca.gov](mailto:lrsdar@sco.ca.gov), or call the Local Reimbursements Section at (916) 324-5729.

**17. Retention of Claim Records and Supporting Documentation**

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



## FILING A CLAIM

### 1. Introduction

Government Code (GC) Sections 17500 through 17617 provide for the reimbursement of costs incurred by community college districts (CCD) for mandated cost programs as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

A reimbursement claim is defined in GC Section 17522 as any claim filed with the State Controller's Office (SCO) by a CCD for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. Actual claims for the 2008-09 fiscal year will be accepted without penalty if postmarked or delivered on or before **February 16, 2010**. Ongoing reimbursement claims filed after the deadline will be reduced by a late penalty of **10%, not to exceed \$10,000**. Amended claims filed after the filing deadline will be reduced by **10% of the increased amount** not to exceed \$10,000 for the total claim. Initial reimbursement claims filed after the filing deadline will be reduced by a late penalty of **10% with no limitation**. Claims filed more than one year after the deadline will not be accepted by the SCO.

If a claimant is using an indirect cost rate that exceeds 7%, documentation to support the indirect cost rate must be included with the submitted claim. A more detailed discussion of the indirect cost methods available to CCD's can be found in Section 2, Filing a Claim, page 9, *Indirect Costs*. Documentation to support actual costs must be kept on hand by the claimant and made available to the SCO on request as explained in Section 2, Filing a Claim, page 16, *Retention of Claim Records and Supporting Documentation*.

When a program has been reimbursed for three or more years, the Commission may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement no longer need to file claims for that program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds become available.

The claiming instructions included in this manual are issued to help claimants prepare manual and/or electronic mandated cost claims, for submission to the SCO. These instructions are based on the State of California's statutes, regulations, and the parameters and guidelines (P's & G's) adopted by the Commission on State Mandates (Commission). Since each mandate is unique, it is important to refer to the P's and G's for each program for information relating to established policies and eligible reimbursable costs.

### 2. Electronic Filing: Local Government e-Claims (LGeC)

LGeC enables claimants and their consultants to securely prepare and submit mandated cost claims via the Internet. LGeC uses a series of data input screens to collect the information needed to prepare a claim and provides a Web service so claims can be uploaded in batch files. The system also incorporates an attachment feature so claimants can electronically attach supporting documentation if required.

In addition, it provides an easy and straightforward approach to the claiming process. Filing claims using LGeC eliminates the manual preparation and submission of paper claims by CCD's and the receiving, processing, key entry, verification, and storage of the paper claims by the SCO. LGeC also provides mathematical checks and automated error detection to reduce erroneous and

incomplete claims, provides the State with an electronic workflow process, and stores the claims in an electronic format. Making the change from paper claims to electronic claims reduces the manual handling of paper claims and decreases the costs incurred for postage, handling, and storage of claims filed.

In order to use the LGeC system you will need to obtain a user ID and password for each person who will access the LGeC system. To obtain a User ID and password you must file an application with the SCO. The application and instructions are available on the LGeC Web site located at [http://www.sco.ca.gov/ard\\_lgec.html](http://www.sco.ca.gov/ard_lgec.html). Complete the application and other documents as requested and mail them to the SCO using the address provided in the instructions. The SCO will process the application and issue a User ID and password to each applicant.

In addition, you may want to subscribe to an email distribution list to automatically receive timely, comprehensive information regarding mandated cost claims, payments, guidelines, electronic claims, and other news and updates. You also will receive related audit reports and mandate information disseminated by other state agencies.

You can find more information about LGeC and the email distribution lists at [http://www.sco.ca.gov/ard\\_lgec.html](http://www.sco.ca.gov/ard_lgec.html). This Web site provides access to the LGeC system, an application for User ID's and passwords, an instructional guide, frequently asked questions (FAQ's) and additional help files. Questions may be directed to [LRSDAR@sco.ca.gov](mailto:LRSDAR@sco.ca.gov), or you may call the Local Reimbursements Section at (916) 324-5729.

### 3. Types of Claims

Claimants may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program, would receive an automatic annual payment which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable.

#### A. Reimbursement Claim

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a CCD for reimbursement of costs incurred for which an appropriation is made for paying the claim.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal year(s) of a program that was previously unfunded. Claims are due one hundred and twenty days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement. Annual ongoing reimbursement claims must be filed by February 15<sup>th</sup> following the fiscal year in which costs were incurred for the program.

#### B. Estimated Claims

Pursuant to AB 8, Chapter 6, Statutes of 2008, the option to file estimated claims has been eliminated. Therefore, estimated claims will not be accepted for reimbursement.

#### C. Entitlement Claim

An entitlement claim is defined in GC Section 17522 as any claim filed by a CCD with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated cost program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, these claims should be filed by February 15th, following the third fiscal year used to develop the entitlement claim, to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an

apportionment reflective of the program's current year costs.

The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the implicit price deflator (IPD) of costs of goods and services to governmental agencies, as determined by the State Department of Finance. For programs approved by the Commission for inclusion in SMAS, the payment for each year succeeding the three year base period is adjusted according to any changes by both the IPD and average daily attendance (ADA).

The SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, form FAM-43, to establish a base year entitlement. The form FAM-43 is included in the claiming instructions for SMAS programs. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS. Annual apportionments for programs included in the SMAS system are paid on or before November 30th of each year.

#### **4. Minimum Claim Amount**

For initial claims and annual claims, if the total costs for a given year do not exceed \$1,000 no reimbursement will be allowed except as otherwise allowed by GC Section 17564.

#### **5. Filing Deadline for Claims**

Pursuant to GC Section 17561(d) initial reimbursement claims (first time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within one hundred and twenty days from the date the SCO issues the claiming instructions for the program.

When paying a timely filed claim for initial reimbursement, the Controller may withhold twenty percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs.

Initial reimbursement claims filed after the filing deadline will be reduced by ten percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a program will be considered as one claim for the purpose of computing any late claim penalty. In no case will a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates.

Pursuant to GC Section 17560, annual reimbursement claims (recurring claims) for costs incurred during the previous fiscal year must be filed with the SCO and postmarked on or before February 15th following the fiscal year in which costs were incurred.

If the annual reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$10,000. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Claims may not be filed more than one year after the deadline.

#### **6. Payment of Claims**

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer. When using the LGeC system the logon ID and password of the authorized officer is used for the signature and is applied by the LGeC system when the claim is submitted. Pursuant to GC 17561(d), reimbursement claims are paid by October 15 or sixty days after the date the appropriation for the claim is effective, whichever is later. In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to

the amount of approved claims timely filed and on hand at the time of proration. A reasonable reimbursement methodology (RRM), which meets certain conditions specified in Government Code Section 17518.5, Subdivision (a), can be used as a formula for reimbursing CCD costs mandated by the State.

A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than one year after the adoption of the program's statewide cost estimate.

The SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each House of the Legislature, in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the Commission who will include these amounts in its reports to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. Any balances remaining on these claims will be paid when supplementary funds become available.

Unless specified in the statutes, regulations, or P's & G's, the determination of allowable and unallowable costs for mandates is based on the P's & G's adopted by the Commission. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the Commission. The SCO determines allowable reimbursable costs, subject to amendment by the Commission, for mandates funded by special legislation. Allowable costs are those direct and indirect costs, less applicable credits, considered eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carry out the overall responsibilities of government.
2. The cost is allocable to a particular cost objective identified in the P's & G's.
3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that should not be claimed as direct program costs unless specified as reimbursable under the program's P's & G's. These costs include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops, general education, and travel costs.

## **7. State Mandates Apportionment System (SMAS)**

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the Commission.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each CCD that has submitted reimbursement claims (or entitlement claims) for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims (or entitlement claims) for any three consecutive fiscal years. The amounts are first adjusted by any change in the IPD, which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the Commission's approval.

Each CCD with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The apportionment amount is adjusted annually for any change in the IPD. If the mandated program was included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and ADA.

In the event a CCD has incurred costs for three consecutive fiscal years but did not file a

reimbursement claim in one or more of those fiscal years, the CCD may file an entitlement claim for each of those missed years to establish a base year entitlement. An entitlement claim means any claim filed by a CCD with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement may not include any nonrecurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30<sup>th</sup>. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the CCD determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based is set forth in GC Section 17615.8 and requires the approval of the Commission.

## 8. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Documentation to support direct costs must be kept on hand unless otherwise specified in the claiming instructions and made available to the SCO on request.

It is the responsibility of the claimant to maintain documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

Costs typically classified as direct costs are:

### (1) Employee Wages, Salaries, and Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classifications, hours worked on the mandate, and rate of pay. The claimant may use a productive hourly rate in-lieu of reporting actual compensation and benefits:

#### (a) Productive Hourly Rate Options

A CCD may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee;
- The weighted-average annual productive hours for each job title; or
- 1,800\* annual productive hours for all employees.

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claimant must maintain documentation of how these hours were computed.

\* 1,800 annual productive hours excludes the following employee time:

- Paid holidays;
- Vacation earned;
- Sick leave taken;
- Informal time off;
- Jury duty;
- Military leave taken.

#### (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and benefits and divide by the annual

productive hours.

**Table 1: Productive Hourly Rate, Annual Salary + Benefits Method**

<b>Formula:</b> $[(EAS + Benefits) \div APH] = PHR$ $[(\$26,000 + \$8,099) \div 1,800 \text{ hrs}] = 18.94$	<b>Description:</b> EAS = Employee's Annual Salary APH = Annual Productive Hours PHR = Productive Hourly Rate
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- As illustrated in Table 1, if an employee's compensation was \$26,000 and \$8,099 for annual salary and benefits, respectively, using the Salary + Benefits Method, the productive hourly rate would be \$18.94. To convert a biweekly salary to Annual Salary, multiply the biweekly salary by 26. To convert a monthly salary to Annual Salary, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.
2. A claimant may also compute the productive hourly rate by using the Percent of Salary Method.

**Table 2: Productive Hourly Rate, Percent of Salary Method**

<b>Example:</b>		
<b>Step 1: Benefits as a Percent of Salary</b>		<b>Step 2: Productive Hourly Rate</b>
Retirement	15.00 %	<b>Formula:</b> $[(EAS \times (1 + BR)) \div APH] = PHR$
Social Security & Medicare	7.65	
Health & Dental Insurance	5.25	
Workers Compensation	3.25	$[(\$26,000 \times (1.3115)) \div 1,800] = \$18.94$
<b>Total</b>	<b>31.15 %</b>	
<b>Description:</b>		
EAS = Employee's Annual Salary		APH = Annual Productive Hours
BR = Benefit Rate		PHR = Productive Hourly Rate

- As illustrated in Table 2, both methods produce the same productive hourly rate.
- Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages, and employee benefits. Employee benefits include employer's contributions for social security, pension plans, insurance, workers compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:
- The amount of compensation is reasonable for the service rendered;
  - The compensation paid and benefits received are appropriately authorized by the governing board;
  - Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees;



- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level position performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at a higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

**(c) Calculating an Average Productive Hourly Rate**

In those instances where the P's & G's allow a unit as a basis of claiming costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

**Table 3: Calculating an Average Productive Hourly Rate**

	<u>Time Spent</u>	<u>Productive Hourly Rate</u>	<u>Total Cost by Employee</u>
Employee A	1.25 hrs	\$6.00	\$7.50
Employee B	0.75 hrs	4.50	3.38
Employee C	3.50 hrs	10.00	35.00
Total	5.50 hrs		\$45.88
Average Productive Hourly Rate is $\$45.88 \div 5.50 \text{ hrs.} = \$8.34$			

**(d) Employer's Benefits Contribution**

A CCD has the option of claiming actual employer's benefit contributions or may compute an average benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each benefit is computed, total them. For example:

<u>Employer's Contribution</u>	<u>% of Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental Insurance	5.25%
Worker's Compensation	0.75%
Total	<u>28.65%</u>

**(2) Materials and Supplies**

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies

withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases must be claimed at the actual price after deducting discounts, rebates and allowances received by the CCD.

(a) **Calculating a Unit Cost for Materials and Supplies**

In those instances where the P's & G's suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

**Table 1: Calculating a Unit Cost for Materials and Supplies**

Supplies	Cost Per Unit	Amount of Supplies Used Per Activity	Unit Cost of Supplies Per Activity
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	<u>0.40</u>
			<u>\$0.64</u>

**Table 2: Calculating a Unit Cost for Materials and Supplies**

Supplies	Supplies Used	Unit Cost of Supplies Per Activity
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	<u>2.00</u>
		<u>\$9.50</u>

If the number of reimbursable instances is 25, then the unit cost of supplies is \$0.38 per reimbursable instance ( $\$9.50 \div 25$ ).

(3) **Contract Services**

The cost of contract services is allowable if the CCD lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must keep documentation on hand to support the name of the contractor, explain the reason for having to hire a contractor, describe the mandated activities performed, give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate must not exceed the rate specified in the P's & G's for the mandated program. The contractor's invoice or statement must include an itemized list of costs for activities performed.

(4) **Equipment Rental Costs**

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the P's & G's for the particular mandate. Equipment rentals used solely for the mandate are reimbursable to the extent that such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must maintain documentation to support the purpose and use of the equipment, the time period for

which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the pro rata portion of the rental costs can be claimed.

#### (5) Capital Outlay

Capital outlay for land, buildings, equipment, furniture and fixtures may be claimed if the P's & G's specify them as allowable. If they are allowable, the P's & G's for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the pro rata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### (6) Travel Expenses

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the P's & G's may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the Department of Personnel Administration (DPA) travel standards. When claiming travel expenses, the claimant must maintain documentation to support the purpose of the trip, the names and addresses of the persons incurring the expense, the date and time of departure and return, a description of each expense claimed, and the cost of transportation, number of private auto miles traveled, and the cost of tolls and parking. Receipts are required for charges over \$10.00.

### 9. Indirect Costs

Indirect costs are: (a) Incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved. Indirect costs can originate in the department performing the mandate or in departments that supply the department performing the mandate with goods, services, and facilities. To be allowable, a cost must be allocable to a particular cost objective. Indirect costs must be distributed to benefiting cost objectives on bases which produce an equitable result related to the benefits derived by the mandate.

A CCD may claim indirect costs using the Controller's methodology (FAM-29C), or if specifically allowed by a mandated cost program's P's & G's, a district may choose to claim indirect costs using either: (1) A federally approved rate prepared in accordance with the Office of Management and Budget (OMB) Circular A-21, *Cost Principles for Educational Institutions*; or (2) a flat 7% rate. The FAM-29C indirect cost rate and the flat 7% indirect cost rate are applied to *Salaries and Benefits*, whereas the federally approved rate is applied to the allocation base used in developing the federally approved rate.

If indirect costs are calculated using the OMB Circular A-21 methodology with a base other than *Salaries and Benefits*, the claim cannot be filed using the LGeC as the system does not support cost bases other than *Salaries and Benefits*. Instead, these claims must be filed manually using paper forms.

However, if indirect costs are calculated using the OMB Circular A-21 methodology using *Salaries and Benefits* in the base, then the claims can be filed using either the LGeC system or the manual paper process. In these cases, the indirect cost rate is calculated in accordance with the chosen methodology and keyed into the mandated cost form on the appropriate line (usually Form 1, line (06)), *Indirect Cost Rate*. The LGeC system will apply that rate to *Salaries and Benefits* (usually Form 1, line (5)(a) to arrive at the total indirect costs (usually Form 1, line (7)).

The SCO developed form FAM-29C to be consistent with the OMB Circular A-21 cost accounting principles as they apply to mandated cost programs. The objective is to determine an equitable rate to allocate administrative support to personnel who performed the mandated cost activities. The methodology used in form FAM-29C is a direct cost base comprised of salary and benefit costs. This provides a consistent indirect cost rate methodology for all CCD's mandated cost programs.

FAM-29C uses expenditures that districts report in their California Community Colleges Annual Financial and Budget Report (CCFS-311), Expenditures by Activity for the General Fund – Combined. CCD's must use the CCFS-311 report applicable to the fiscal year of the reimbursement claim submitted. The computation excludes capital outlay and other outgo in accordance with the OMB Circular A-21. The indirect cost rate computation includes any depreciation or use allowance applicable to district buildings and equipment. Districts calculate depreciation or use allowance costs separately from the CCFS-311 report and should calculate them in accordance with the OMB Circular A-21.

The OMB Circular A-21, Section C.4, states that a cost is allocable to a particular cost objective in accordance with the relative benefits received. Also, Section E.2.b., states that the overall objective of the cost allocation process is to distribute indirect costs to the institution's major functions in proportions reasonably consistent with their use of the institution's resources. In addition, Section E.2.c. notes that where certain items or categories of expense relate to less than all functions, such expenses should be set aside for selective allocation.

The OMB Circular A-21, Section H, describes a simplified method for indirect cost rate calculations. However, Section H.1.b. states that the simplified method should not be used where it produces results that appear inequitable. As previously noted, FAM-29C strives to equitably allocate administrative support costs to personnel that perform mandated cost activities claimed by CCD's. For example, library costs and department administration expenses, normally classified fully or partly as indirect costs in the OMB Circular A-21, are instead classified as direct costs for FAM-29C. These costs do not benefit mandated cost activities. In summary, FAM-29C indirect costs include operation and maintenance of plant; planning, policy making, and coordination; general institutional support services (excluding community relations); and depreciation or use allowance. Community relations include fundraising costs, which are unallowable under OMB Circular A-21. If the district claims any costs from these indirect accounts as direct mandate-related costs, the same costs should be reclassified as direct on FAM-29C.

Table 4 presents an example of the FAM-29C methodology.

Table 4: Indirect Cost Rate for Community Colleges

MANDATED COST					FORM
INDIRECT COST RATE FOR COMMUNITY COLLEGE DISTRICTS					FAM 29-C
(1) Claimant					
Activity	EDP	Salaries and Benefits per CCFS-311	Operating Expenses per CCFS-311	Indirect-Salaries Benefits, and Operating Expenses	Direct-Salaries and Benefits only
Instructional Activities	599	\$ 46,249,931	\$ 8,289,190	\$	\$ 46,249,931
Instruct. Admin. & Instruct. Governance	6000	5,181,935	631,615		5,181,935
Instructional Support Services	6100	4,361,061	445,196		4,361,061
Admissions and Records	6200	1,251,539	96,634		1,251,539
Student Counseling and Guidance	6300	3,373,121	80,201		3,373,121
Other Student Services	6400	5,511,511	1,116,904		5,511,511
Operation and Maintenance of Plant	6500	5,192,099	3,192,398	8,384,497	
Planning, Policy Making, and Coordination	6600	2,562,909	1,096,833	3,659,742	
General Institutional Support Services	6700				
Community Relations	6710	446,207	228,320	674,527	
Fiscal Operations	6720	2,342,316	315,019	2,657,335	
Human Resources Management	6730	1,057,387	102,600	1,159,987	
Non-instructional Staff Retirees' Benefits and Retirement Incentives	6740	1,327,125	-	1,327,125	
Staff Development	6750	1,295	34,931	36,226	
Staff Diversity	6760	449,392	394,915	844,307	
Logistical Services	6770	2,853,609	354,953	3,208,562	
Management Information Systems	6780	2,386,511	894,685	3,281,196	
Other General Institutional Support Services	6790	19,635	1,679	21,314	
Community Services and Economic Development	6800	963,036	688,648		963,036
Ancillary Services	6900	723,450	224,961		723,450
Auxiliary Operations	7000	565,859	12,179		565,859
Depreciation or Use Allowance - Building				2,620,741	
Depreciation or Use Allowance - Equipment				721,097	
<b>Totals</b>		<u>\$ 86,819,928</u>	<u>\$ 18,201,861</u>	<u>\$ 28,596,656</u>	<u>\$ 68,181,443</u>
				(A)	(B)
<b>Indirect Cost Rate (A)/(B)</b>				<u>41.94%</u>	

## 10. Time Study Guidelines

### Background

Two methods are acceptable for documenting employee time charged to mandated cost programs: 1) Actual Time Reporting and 2) Time Study. These methods are described below. Application of time study results is restricted. As explained in the Time Study Results section below, the results may be projected forward a maximum of two years or applied retroactively to initial claims, current-year claims, and late-filed claims, provided certain criteria are met.

### Actual Time Reporting

Each program's P's and G's define reimbursable activities for the mandated cost program. When employees work on multiple activities, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards:

- They must reflect an after-the-fact distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for actual time reporting.

### Time Study

In certain cases, a time study may be used as a substitute for continuous records of actual time spent on multiple activities and/or programs. A time study can be used for an activity when the task is repetitive in nature. Activities that require varying levels of effort are not appropriate for time studies.

### Time Study Plan

The claimant must develop a plan before the time study is conducted. The claimant must retain the time study plan for audit purposes. The plan must identify the following:

- Time periods to be studied - The plan must show that all time periods selected are representative of the fiscal year and that the results can be reasonably projected to approximate actual costs;
- Activities to be studied - The time study must separately identify each reimbursable activity defined in the mandated program's P's and G's. If a reimbursable activity identifies separate and distinct sub-activities, these sub-activities also must be treated as individual activities;

For example, sub-activities (a) and (b) under reimbursable activity (1) of the Agency Fee Arrangements Program relate to salary deduction and payment of fair share and are not separate and distinct activities. It is not necessary to separately study these sub-activities.

- Process used to accomplish each reimbursable activity - Use flowcharts or similar analytical tools and/or written desk procedures to describe the process followed to complete each activity;
- Employee universe - The employee universe used in the time study must include all positions for which salaries and wages are to be allocated by means of the time study;
- Employee sample selection methodology - The plan must show that employees selected are representative of the employee universe and that the results can be reasonably projected to approximate actual costs. In addition, the employee sample size should be proportional to the variation in time spent to perform a task. The sample size should be larger for tasks with significant time variations;
- Time increments to be recorded - The time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large

increments (such as one hour or more) can be used for employees performing only a few functions that change very slowly over time. Small increments (a number of minutes) can be used for employees performing more short-term tasks.

Random-moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random-moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

### **Time Study Documentation**

Time studies must:

- Be supported by time records that are completed when the activity occurs;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities performed during a specific time period; and
- Coincide with one or more pay periods.

Time records must be signed by the employee and be supported by documentation that validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

### **Time Study Results**

Claimants must summarize time study results to show how the time study supports the costs claimed for each activity. Any variation from the procedures identified in the original time study plan must be documented and explained. Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant also may apply time study results retroactively to initial claims, current-year claims, and late-filed claims.

When projecting time study results, the claimant must certify that no significant changes have occurred between years in either (1) the requirements of each mandated program activity; or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain documentation that shows that the mandated activity was actually performed. Time study results used to support claims are subject to the record-keeping requirements for those claims.

## **11. Offset Against State Mandated Claims**

As noted previously, allowable costs are defined as those direct and indirect costs, less applicable credits, considered eligible for reimbursement. When all or part of the costs of a mandated program are specifically reimbursable from local assistance revenue sources (e.g., state, federal, foundation, etc.), only that portion of any increased cost payable from CCD funds is eligible for reimbursement under the provisions of GC Section 17561.

### **Example 1:**

As illustrated in Table 5, this example shows how the Offset Against State Mandated Claims is determined for a CCD receiving block grant revenues not based on a formula allocation. Program costs for each situation equals \$100,000.

Table 5: Offset Against State Mandates, Example 1

	Program Costs	Actual Local Assistance Revenues	State Mandated Costs	Offset Against State Mandated Claims	Claimable Mandated Costs
1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250
6.	100,000 *	49,000	2,500	250	2,250

\* CCD share is \$50,000 of the program cost.

Numbers (1) through (4) in Table 5, show intended funding at 100% from local assistance revenue sources. Numbers (5) and (6) show cost sharing on a 50/50 basis with the district. In numbers (1) through (6), included in the program costs of \$100,000 are state mandated costs of \$2,500. The offset against state mandated claims are the amount of actual local assistance revenues, which exceeds the difference between program costs and state mandated costs. This offset cannot exceed the amount of state mandated costs.

In (1), local assistance revenues were less than expected. Local assistance funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs.

In (4), local assistance revenues were fully realized to cover the entire cost of the program, including the state mandated activity; therefore, the offset against state mandated claims is \$2,500, and claimable cost is \$0.

In (5), the district is sharing 50% of the project cost. Since local assistance revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

In (6), local assistance revenues were less than the amount expended and the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

#### Example 2:

As illustrated in Table 6, this example shows how the offset against state mandated claims is determined for a CCD receiving special project funds based on approved actual costs. Local assistance revenues for special projects must be applied proportionately to the approved costs.

Table 6: Offset Against State Mandates, Example 2

	Program Costs	Actual Local Assistance Revenues	State Mandated Costs	Offset Against State Mandated Claims	Claimable Mandated Costs
1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625
3.	100,000 **	45,000	1,500	1,125	375

\*\* CCD share is \$25,000 of the program cost.



In (2), the entire program cost was approved. Since the local assistance revenue source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

If in (3) local assistance revenues are less than the amount expected because only \$60,000 of the \$100,000 program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claims is \$1,125. Therefore, the claimable mandated costs are \$375.

## 12. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. Claimants will receive a *Notice of Claim Adjustment* detailing any adjustments made by the SCO.

## 13. Audit of Costs

Pursuant to GC Section 17558.5, Subdivision (b), the SCO may conduct a field review of any claim after it has been submitted to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the Commission. If any adjustments are made to a claim, a Notice of Claim Adjustment specifying the claim activity adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within thirty days after payment of the claim.

## 14. Source Documents

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

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification stating: "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct" and must further comply with the requirements of Code of Civil Procedure Section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, these documents cannot be substituted for source documents.

## 15. Claim Forms and Instructions

Unless you are filing electronically, a claimant may submit a computer generated report in substitution for Form-1 and Form-2, provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated or printed from SCO's Web site and used by the claimant to file reimbursement claims. The SCO will revise the manual and claim forms as necessary.

### A. Form-2, Activity Cost Detail

This form is used to segregate the direct costs by claim activity. In some mandates, specific reimbursable activities have been identified for each activity. The expenses reported on this form must be supported by the official financial records of the claimant. All documents used to support the reimbursable activities must be retained by the claimant unless required to be submitted with the claim and must be made available to the SCO on request.

**B. Form-1, Claim Summary**

This form is used to summarize direct costs by activity and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

**C. Form FAM-27, Claim for Payment**

This form contains a certification that must be signed by an authorized officer of the CCD. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 are required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment. **To expedite the payment process, please sign the FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.**

Use the following mailing addresses:

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

If delivered by  
Other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 700  
Sacramento, CA 95816

**16. Retention of Claiming Instructions**

The revised claiming instructions in this package have been arranged in alphabetical order by program name. This Manual should be retained for future reference, and the forms should be duplicated to meet your filing requirements. Annually, new or revised forms, instructions, and any other information claimants may need to file claims will be placed on the SCO's Web site located at [www.sco.ca.gov/ard\\_mancost.html](http://www.sco.ca.gov/ard_mancost.html).

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, or by e-mail to [LRSDAR@sco.ca.gov](mailto:LRSDAR@sco.ca.gov), or call the Local Reimbursements Section at (916) 324-5729.

**17. Retention of Claim Records and Supporting Documentation**

Pursuant to Government Code Section 17558.5, (a), a reimbursement claim for actual costs filed by a CCD is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit will commence to run from the date of initial payment of the claim. In any case, an audit will be completed not later than two years after the date that the audit is commenced.

All documents used to support the reimbursable activities must be retained during the period subject to audit. If the Controller has initiated an audit during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents must be made available to the SCO on request.



## FILING A CLAIM

### 1. Introduction

Government Code (GC) Sections 17500 through 17617 provide for the reimbursement of costs incurred by community college districts (CCD) for mandated cost programs as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

A reimbursement claim is defined in GC Section 17522 as any claim filed with the State Controller's Office (SCO) by a CCD for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. Actual claims for the 2009-10 fiscal year will be accepted without penalty if postmarked or delivered on or before **February 15, 2011**. Ongoing reimbursement claims filed after the deadline will be reduced by a late penalty of **10%, not to exceed \$10,000**. Amended claims filed after the filing deadline will be reduced by **10% of the increased amount** not to exceed \$10,000 for the total claim. Initial reimbursement claims filed after the filing deadline will be reduced by a late penalty of **10% with no limitation**. Claims filed more than one year after the deadline will not be accepted by the SCO.

If a claimant is using an indirect cost rate that exceeds 7%, documentation to support the indirect cost rate must be included with the submitted claim. A more detailed discussion of the indirect cost methods available to CCD's can be found in Section 2, Filing a Claim, page 9, **Indirect Costs**. Documentation to support actual costs must be kept on hand by the claimant and made available to the SCO on request as explained in Section 2, Filing a Claim, page 16, **Retention of Claim Records and Supporting Documentation**.

When a program has been reimbursed for three or more years, the Commission may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD. Claimants with an established entitlement no longer need to file claims for that program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds become available.

### 2. Electronic Filing: Local Government e-Claims (LGeC)

LGeC enables claimants and their consultants to securely prepare and submit mandated cost claims via the Internet. LGeC uses a series of data input screens to collect the information needed to prepare a claim and provides a Web service so claims can be uploaded in batch files. The system also incorporates an attachment feature so claimants can electronically attach supporting documentation if required.

The LGeC system provides an easy and straightforward approach to the claiming process. Filing claims using LGeC eliminates the manual preparation and submission of paper claims by CCD's and the receiving, processing, key entry, verification, and storage of the paper claims by the SCO. LGeC also provides mathematical checks and automated error detection to reduce erroneous and incomplete claims, provides the State with an electronic workflow process, and stores the claims in an electronic format. Making the change from paper claims to electronic claims reduces the manual handling of paper claims and decreases the costs incurred for postage, handling, and storage of claims filed.

In order to use the LGeC system you will need to obtain a User ID and password for each person who will access the LGeC system. To obtain a User ID and password you must file an application with the SCO. The application and instructions are available on the LGeC Web site located at [http://www.sco.ca.gov/ard\\_lgec.html](http://www.sco.ca.gov/ard_lgec.html). Complete the application and other documents as requested and mail them to the SCO using the address provided in the instructions. The SCO will process the application and issue a User ID and password to each applicant.

In addition, you may want to subscribe to an email distribution list to automatically receive timely, comprehensive information regarding mandated cost claims, payments, guidelines, electronic claims, and other news and updates. You also will receive related audit reports and mandate information provided by other state agencies.

You can find more information about LGeC and the email distribution lists at [http://www.sco.ca.gov/ard\\_lgec.html](http://www.sco.ca.gov/ard_lgec.html). This Web site provides access to the LGeC system, an application for User ID's and passwords, an instructional guide, frequently asked questions (FAQ's) and additional help files. Questions may be directed to [LRSDAR@sco.ca.gov](mailto:LRSDAR@sco.ca.gov), or you may call the Local Reimbursements Section at (916) 324-5729.

### 3. Types of Claims

Claimants may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program, would receive an automatic annual payment which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable.

#### A. Reimbursement Claim

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a CCD for reimbursement of costs incurred for which an appropriation is made for paying the claim.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal year(s) of a program that was previously unfunded. Claims are due one hundred and twenty days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement. Annual ongoing reimbursement claims must be filed by February 15<sup>th</sup> following the fiscal year in which costs were incurred for the program.

Annual ongoing reimbursement claims must be filed by February 15<sup>th</sup> following the fiscal year in which costs were incurred for the program. Claims for fiscal year 2009-10 will be accepted without late penalty if postmarked or delivered on before February 15<sup>th</sup>, 2011. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the claim. Claims filed more than one year after the deadline will not be accepted for reimbursement.

#### B. Entitlement Claim

An entitlement claim is defined in GC Section 17522 as any claim filed by a CCD with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated cost program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, these claims should be filed by February 15<sup>th</sup>, following the third fiscal year used to develop the entitlement claim, to permit an orderly processing of claims. When the claims are

approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs.

The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the implicit price deflator (IPD) of costs of goods and services to governmental agencies, as determined by the State Department of Finance. For programs approved by the Commission for inclusion in SMAS, the payment for each year succeeding the three year base period is adjusted according to any changes by both the IPD and average daily attendance (ADA).

The SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, form FAM-43, to establish a base year entitlement. The form FAM-43 is included in the claiming instructions for SMAS programs. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS. Annual apportionments for programs included in the SMAS system are paid on or before November 30th of each year.

#### 4. Minimum Claim Amount

For initial claims and annual claims, if the total costs for a given year do not exceed \$1,000 no reimbursement will be allowed except as otherwise allowed by GC Section 17564.

#### 5. Filing Deadline for Claims

Pursuant to GC Section 17561(d) initial reimbursement claims (first time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within one hundred and twenty days from the date the SCO issues the claiming instructions for the program. When paying a timely filed claim for initial reimbursement, the Controller may withhold twenty percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. Initial reimbursement claims filed after the filing deadline will be reduced by ten percent of the amount that would have been allowed had the claim been timely filed.

The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a program will be considered as one claim for the purpose of computing any late claim penalty. In no case will a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates.

Pursuant to GC Section 17560, annual reimbursement claims (recurring claims) for costs incurred during the previous fiscal year must be filed with the SCO and postmarked on or before February 15th following the fiscal year in which costs were incurred. If the annual reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$10,000. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Claims may not be filed more than one year after the deadline.

#### 6. Payment of Claims

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer. When using the LGeC system the logon ID and password of the authorized officer is used for the signature and is applied by the LGeC system when the claim is submitted. Pursuant to GC 17561(d), reimbursement claims are paid by October 15 or sixty days after the date the appropriation for the claim is effective, whichever is later. In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than one year after the adoption of the program's statewide cost estimate.

The SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each House of the Legislature, in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the Commission who will include these amounts in its reports to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. Any balances remaining on these claims will be paid when supplementary funds become available.

Unless specified in the statutes, regulations, or P's & G's, the determination of allowable and unallowable costs for mandates is based on the P's & G's adopted by the Commission. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the Commission. The SCO determines allowable reimbursable costs, subject to amendment by the Commission, for mandates funded by special legislation. Allowable costs are those direct and indirect costs, less applicable credits, considered eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carry out the overall responsibilities of government.
2. The cost is allocable to a particular cost objective identified in the P's & G's.
3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that should not be claimed as direct program costs unless specified as reimbursable under the program's P's & G's. These costs include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops, general education, and travel costs.

## **7. State Mandates Apportionment System (SMAS)**

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the Commission.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each CCD that has submitted reimbursement claims (or entitlement claims) for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims (or entitlement claims) for any three consecutive fiscal years. The amounts are first adjusted by any change in the IPD, which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the Commission's approval.

Each CCD with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The apportionment amount is adjusted annually for any change in the IPD. If the mandated program was included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and ADA.

In the event a CCD has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the CCD may file an entitlement claim for each of those missed years to establish a base year entitlement. An entitlement claim means any claim filed by a CCD with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement may not include any nonrecurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30<sup>th</sup>. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the CCD determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based is set forth in GC Section 17615.8 and requires the approval of the Commission.

## 8. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Documentation to support direct costs must be kept on hand unless otherwise specified in the claiming instructions and made available to the SCO on request

It is the responsibility of the claimant to maintain documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

Costs typically classified as direct costs are:

### (1) Employee Wages, Salaries, and Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classifications, hours worked on the mandate, and rate of pay. The claimant may use a productive hourly rate in-lieu of reporting actual compensation and benefits:

#### (a) Productive Hourly Rate Options

A CCD may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee;
- The weighted-average annual productive hours for each job title; or
- 1,800\* annual productive hours for all employees.

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claimant must maintain documentation of how these hours were computed.

\* 1,800 annual productive hours excludes the following employee time:

- Paid holidays;
- Vacation earned;
- Sick leave taken;
- Informal time off;
- Jury duty;
- Military leave taken.

#### (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and benefits and divide by the annual productive hours.



**Table 1: Productive Hourly Rate, Annual Salary + Benefits Method**

Formula:	Description:
$[(EAS + Benefits) \div APH] = PHR$	EAS = Employee's Annual Salary APH = Annual Productive Hours
$[(\$26,000 + \$8,099) \div 1,800 \text{ hrs}] = 18.94$	PHR = Productive Hourly Rate

- As illustrated in Table 1, if an employee's compensation was \$26,000 and \$8,099 for annual salary and benefits, respectively, using the Salary + Benefits Method, the productive hourly rate would be \$18.94. To convert a biweekly salary to Annual Salary, multiply the biweekly salary by 26. To convert a monthly salary to Annual Salary, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.
- A claimant may also compute the productive hourly rate by using the Percent of Salary Method.

**Table 2: Productive Hourly Rate, Percent of Salary Method**

Example:		
Step 1: Benefits as a Percent of Salary		Step 2: Productive Hourly Rate
Retirement	15.00 %	<b>Formula:</b> $[(EAS \times (1 + BR)) \div APH] = PHR$
Social Security & Medicare	7.65	
Health & Dental Insurance	5.25	$[(\$26,000 \times (1.3115)) \div 1,800] = \$18.94$
Workers Compensation	3.25	
<b>Total</b>	<b>31.15 %</b>	
<b>Description:</b>		
EAS = Employee's Annual Salary		APH = Annual Productive Hours
BR = Benefit Rate		PHR = Productive Hourly Rate

- As illustrated in Table 2, both methods produce the same productive hourly rate.
- Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages, and employee benefits. Employee benefits include employer's contributions for social security, pension plans, insurance, workers compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:
- The amount of compensation is reasonable for the service rendered;
  - The compensation paid and benefits received are appropriately authorized by the governing board;

- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees;
- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level position performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at a higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

### (c) Calculating an Average Productive Hourly Rate

In those instances where the claiming instructions allow a unit as a basis of claiming costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

**Table 3: Calculating an Average Productive Hourly Rate**

	<u>Time Spent</u>	<u>Productive Hourly Rate</u>	<u>Total Cost by Employee</u>
Employee A	1.25 hrs	\$6.00	\$7.50
Employee B	0.75 hrs	4.50	3.38
Employee C	3.50 hrs	10.00	35.00
Total	5.50 hrs		\$45.88
Average Productive Hourly Rate is $\$45.88 \div 5.50 \text{ hrs.} = \$8.34$			

### (d) Employer's Benefits Contribution

A CCD has the option of claiming actual employer's benefit contributions or may compute an average benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each benefit is computed, total them. For example:

Retirement	15.00%
Social Security	7.65%
Health and Dental Insurance	5.25%
Worker's Compensation	0.75%
Total	<u>28.65%</u>

### (2) Materials and Supplies

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the

materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases must be claimed at the actual price after deducting discounts, rebates and allowances received by the CCD.

**(a) Calculating a Unit Cost for Materials and Supplies**

In those instances where the P's & G's suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

**Table 1: Calculating a Unit Cost for Materials and Supplies**

<b>Supplies</b>	<b>Cost Per Unit</b>	<b>Amount of Supplies Used Per Activity</b>	<b>Unit Cost of Supplies Per Activity</b>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	<u>0.40</u>
			<u>\$0.64</u>

**Table 2: Calculating a Unit Cost for Materials and Supplies**

<b>Supplies</b>	<b>Supplies Used</b>	<b>Unit Cost of Supplies Per Activity</b>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	2.00
		<u>\$9.50</u>

If the number of reimbursable instances is 25, then the unit cost of supplies is \$0.38 per reimbursable instance ( $\$9.50 \div 25$ ).

**(3) Contract Services**

The cost of contract services is allowable if the CCD lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must keep documentation on hand to support the name of the contractor, explain the reason for having to hire a contractor, describe the mandated activities performed, give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate must

not exceed the rate specified in the P's & G's for the mandated program. The contractor's invoice or statement must include an itemized list of costs for activities performed.

#### (4) Equipment Rental Costs

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the P's & G's for the particular mandate. Equipment rentals used solely for the mandate are reimbursable to the extent that such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must maintain documentation to support the purpose and use of the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the pro rata portion of the rental costs can be claimed.

#### (5) Capital Outlay

Capital outlay for land, buildings, equipment, furniture and fixtures may be claimed if the P's & G's specify them as allowable. If they are allowable, the P's & G's for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the pro rata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### (6) Travel Expenses

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the P's & G's may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the Department of Personnel Administration (DPA) travel standards. When claiming travel expenses, the claimant must maintain documentation to support the purpose of the trip, the names and addresses of the persons incurring the expense, the date and time of departure and return, a description of each expense claimed, and the cost of transportation, number of private auto miles traveled, and the cost of tolls and parking. Receipts are required for charges over \$10.00.

### 9. Indirect Costs

Indirect costs are: (a) Incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved. Indirect costs can originate in the department performing the mandate or in departments that supply the department performing the mandate with goods, services, and facilities. To be allowable, a cost must be allocable to a particular cost objective. Indirect costs must be distributed to benefiting cost objectives on bases which produce an equitable result related to the benefits derived by the mandate.

A CCD may claim indirect costs using the Controller's methodology (FAM-29C), or if specifically allowed by a mandated cost program's P's & G's, a district may choose to claim indirect costs using either: (1) A federally approved rate prepared in accordance with the Office of Management and Budget (OMB) Circular A-21, *Cost Principles for Educational Institutions*; or (2) a flat 7% rate. The FAM-29C indirect cost rate and the flat 7% indirect cost rate are applied to *Salaries and Benefits*, whereas the federally approved rate is applied to the allocation base used in developing the federally approved rate.

If indirect costs are calculated using the OMB Circular A-21 methodology with a base other than *Salaries and Benefits*, the claim cannot be filed using the LGeC as the system does not support cost bases other than *Salaries and Benefits*. Instead, these claims must be filed manually using paper forms.

However, if indirect costs are calculated using the OMB Circular A-21 methodology using *Salaries and Benefits* in the base, then the claims can be filed using either the LGeC system or the manual paper process. In these cases, the indirect cost rate is calculated in accordance with the chosen

methodology and keyed into the mandated cost form on the appropriate line (usually Form 1, line (06)), *Indirect Cost Rate*. The LGeC system will apply that rate to *Salaries and Benefits* (usually Form 1, line (5)(a)) to arrive at the total indirect costs (usually Form 1, line (7)).

The SCO developed form FAM-29C to be consistent with the OMB Circular A-21 cost accounting principles as they apply to mandated cost programs. The objective is to determine an equitable rate to allocate administrative support to personnel who performed the mandated cost activities. The methodology used in form FAM-29C is a direct cost base comprised of salary and benefit costs. This provides a consistent indirect cost rate methodology for all CCD's mandated cost programs.

FAM-29C uses expenditures that districts report in their California Community Colleges Annual Financial and Budget Report (CCFS-311), Expenditures by Activity for the General Fund – Combined. CCD's must use the CCFS-311 report applicable to the fiscal year of the reimbursement claim submitted. The computation excludes capital outlay and other outgo in accordance with the OMB Circular A-21. The indirect cost rate computation includes any depreciation or use allowance applicable to district buildings and equipment. Districts calculate depreciation or use allowance costs separately from the CCFS-311 report and should calculate them in accordance with the OMB Circular A-21.

The OMB Circular A-21, Section C.4, states that a cost is allocable to a particular cost objective in accordance with the relative benefits received. Also, Section E.2.b., states that the overall objective of the cost allocation process is to distribute indirect costs to the institution's major functions in proportions reasonably consistent with their use of the institution's resources. In addition, Section E.2.c. notes that where certain items or categories of expense relate to less than all functions, such expenses should be set aside for selective allocation.

The OMB Circular A-21, Section H, describes a simplified method for indirect cost rate calculations. However, Section H.1.b. states that the simplified method should not be used where it produces results that appear inequitable. As previously noted, FAM-29C strives to equitably allocate administrative support costs to personnel that perform mandated cost activities claimed by CCD's. For example, library costs and department administration expenses, normally classified fully or partly as indirect costs in the OMB Circular A-21, are instead classified as direct costs for FAM-29C. These costs do not benefit mandated cost activities. In summary, FAM-29C indirect costs include operation and maintenance of plant; planning, policy making, and coordination; general institutional support services (excluding community relations); and depreciation or use allowance. Community relations include fundraising costs, which are unallowable under OMB Circular A-21. If the district claims any costs from these indirect accounts as direct mandate-related costs, the same costs should be reclassified as direct on FAM-29C.

Table 4 presents an example of the FAM-29C methodology.

Table 4: Indirect Cost Rate for Community Colleges

MANDATED COST					FORM
INDIRECT COST RATE FOR COMMUNITY COLLEGE DISTRICTS					FAM 29-C
(1) Claimant					
Activity	EDP	Salaries and Benefits per		Indirect-Salaries	
		CCFS-311	Operating Expenses per CCFS-311	Benefits, and Operating Expenses	Direct-Salaries and Benefits only
Instructional Activities	599	\$ 46,249,931	\$ 8,289,190	\$	\$ 46,249,931
Instruct. Admin. & Instruct. Governance	6000	5,181,935	631,615		5,181,935
Instructional Support Services	6100	4,361,061	445,196		4,361,061
Admissions and Records	6200	1,251,539	96,634		1,251,539
Student Counseling and Guidance	6300	3,373,121	80,201		3,373,121
Other Student Services	6400	5,511,511	1,116,904		5,511,511
Operation and Maintenance of Plant	6500	5,192,099	3,192,398	8,384,497	
Planning, Policy Making, and Coordination	6600	2,562,909	1,096,833	3,659,742	
General Institutional Support Services	6700				
Community Relations	6710	446,207	228,320		446,207
Fiscal Operations	6720	2,342,316	315,019	2,657,335	
Human Resources Management	6730	1,057,387	102,600	1,159,987	
Non-instructional Staff Retirees' Benefits and Retirement Incentives	6740	1,327,125	-	1,327,125	
Staff Development	6750	1,295	34,931	36,226	
Staff Diversity	6760	449,392	394,915	844,307	
Logistical Services	6770	2,853,609	354,953	3,208,562	
Management Information Systems	6780	2,386,511	894,685	3,281,196	
Other General Institutional Support Services	6790	19,635	1,679	21,314	
Community Services and Economic Development	6800	963,036	688,648		963,036
Ancillary Services	6900	723,450	224,961		723,450
Auxiliary Operations	7000	565,859	12,179		565,859
Depreciation or Use Allowance - Building				2,620,741	
Depreciation or Use Allowance - Equipment				721,097	
<b>Totals</b>		<u>\$ 86,819,928</u>	<u>\$ 18,201,861</u>	<u>\$ 27,922,129</u>	<u>\$ 68,627,650</u>
				(A)	(B)
<b>Indirect Cost Rate (A)/(B)</b>				<u>40.69%</u>	

## 10. Time Study Guidelines

### Background

Two methods are acceptable for documenting employee time charged to mandated cost programs: 1) Actual Time Reporting and 2) Time Study. These methods are described below. Application of time study results is restricted. As explained in the Time Study Results section below, the results may be projected forward a maximum of two years or applied retroactively to initial claims, current-year claims, and late-filed claims, provided certain criteria are met.

### Actual Time Reporting

Each program's P's and G's define reimbursable activities for the mandated cost program. When employees work on multiple activities, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards:

- They must reflect an after-the-fact distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for actual time reporting.

### Time Study

In certain cases, a time study may be used as a substitute for continuous records of actual time spent on multiple activities and/or programs. A time study can be used for an activity when the task is repetitive in nature. Activities that require varying levels of effort are not appropriate for time studies.

### Time Study Plan

The claimant must develop a plan before the time study is conducted. The claimant must retain the time study plan for audit purposes. The plan must identify the following:

- Time periods to be studied - The plan must show that all time periods selected are representative of the fiscal year and that the results can be reasonably projected to approximate actual costs;
- Activities to be studied - The time study must separately identify each reimbursable activity defined in the mandated program's P's and G's. If a reimbursable activity identifies separate and distinct sub-activities, these sub-activities also must be treated as individual activities;

For example, sub-activities (a) and (b) under reimbursable activity (1) of the Agency Fee Arrangements Program relate to salary deduction and payment of fair share and are not separate and distinct activities. It is not necessary to separately study these sub-activities.

- Process used to accomplish each reimbursable activity - Use flowcharts or similar analytical tools and/or written desk procedures to describe the process followed to complete each activity;
- Employee universe - The employee universe used in the time study must include all positions for which salaries and wages are to be allocated by means of the time study;
- Employee sample selection methodology - The plan must show that employees selected are representative of the employee universe and that the results can be reasonably projected to approximate actual costs. In addition, the employee sample size should be proportional to the variation in time spent to perform a task. The sample size should be larger for tasks with significant time variations;
- Time increments to be recorded - The time increments used should be sufficient to recognize the

number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) can be used for employees performing only a few functions that change very slowly over time. Small increments (a number of minutes) can be used for employees performing more short-term tasks.

Random-moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random-moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

### **Time Study Documentation**

Time studies must:

- Be supported by time records that are completed when the activity occurs;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities performed during a specific time period;
- Coincide with one or more pay periods.

Time records must be signed by the employee and be supported by documentation that validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

### **Time Study Results**

Claimants must summarize time study results to show how the time study supports the costs claimed for each activity. Any variation from the procedures identified in the original time study plan must be documented and explained. Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant also may apply time study results retroactively to initial claims, current-year claims, and late-filed claims.

When projecting time study results, the claimant must certify that no significant changes have occurred between years in either (1) the requirements of each mandated program activity; or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain documentation that shows that the mandated activity was actually performed. Time study results used to support claims are subject to the record-keeping requirements for those claims.

## **11. Offsets Against State Mandated Claims**

As noted previously, allowable costs are defined as those direct and indirect costs, less applicable credits, considered eligible for reimbursement. When all or part of the costs of a mandated program are specifically reimbursable from local assistance revenue sources (e.g., state, federal, foundation, etc.), only that portion of any increased cost payable from CCD funds is eligible for reimbursement under the provisions of GC Section 17561.

### **A. Example 1:**

As illustrated in Table 5, this example shows how the Offset Against State Mandated Claims is determined for a CCD receiving block grant revenues not based on a formula allocation. Program costs for each situation equals \$100,000.



**Table 5: Offsets Against State Mandates, Example 1**

	Program Costs	Actual Local Assistance Revenues	State Mandated Costs	Offset Against State Mandated Claims	Claimable Mandated Costs
1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250
6.	100,000 *	49,000	2,500	250	2,250

\* CCD share is \$50,000 of the program cost.

Numbers (1) through (4) in Table 5, show intended funding at 100% from local assistance revenue sources. Numbers (5) and (6) show cost sharing on a 50/50 basis with the district. In numbers (1) through (6), included in the program costs of \$100,000 are state mandated costs of \$2,500. The offset against state mandated claims are the amount of actual local assistance revenues, which exceeds the difference between program costs and state mandated costs. This offset cannot exceed the amount of state mandated costs.

In (1), local assistance revenues were less than expected. Local assistance funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs.

In (4), local assistance revenues were fully realized to cover the entire cost of the program, including the state mandated activity; therefore, the offset against state mandated claims is \$2,500, and claimable cost is \$0.

In (5), the district is sharing 50% of the project cost. Since local assistance revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

In (6), local assistance revenues were less than the amount expended and the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

**B. Example 2:**

As illustrated in Table 6, this example shows how the offset against state mandated claims is determined for a CCD receiving special project funds based on approved actual costs. Local assistance revenues for special projects must be applied proportionately to the approved costs.

**Table 6: Offset Against State Mandates, Example 2**

	Program Costs	Actual Local Assistance Revenues	State Mandated Costs	Offset Against State Mandated Claims	Claimable Mandated Costs
1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625
3.	100,000 **	45,000	1,500	1,125	375

\*\* CCD share is \$25,000 of the program cost.

In (2), the entire program cost was approved. Since the local assistance revenue source covers

75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

If in (3) local assistance revenues are less than the amount expected because only \$60,000 of the \$100,000 program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claims is \$1,125. Therefore, the claimable mandated costs are \$375.

## 12. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. Claimants will receive a *Notice of Claim Adjustment* detailing any adjustments made by the SCO.

## 13. Audit of Costs

Pursuant to GC Section 17558.5, Subdivision (b), the SCO may conduct a field review of any claim after it has been submitted to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the Commission. If any adjustments are made to a claim, a Notice of Claim Adjustment specifying the claim activity adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within thirty days after payment of the claim.

## 14. Source Documents

Costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee records, or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification stating: "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct" and must further comply with the requirements of Code of Civil Procedure Section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, these documents cannot be substituted for source documents.

## 15. Claim Forms and Instructions

Unless you are filing electronically, a claimant may submit a computer generated report in substitution for Form-1 and Form-2, provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated or printed from SCO's Web site and used by the claimant to file reimbursement claims. The SCO will revise the manual and claim forms as necessary.

### A. Form-2, Activity Cost Detail

This form is used to segregate the direct costs by claim activity. In some mandates, specific reimbursable activities have been identified for each activity. The expenses reported on this form must be supported by the official financial records of the claimant. All documents used to support the reimbursable activities must be retained by the claimant unless required to be submitted with the claim and must be made available to the SCO on request.

**B. Form-1, Claim Summary**

This form is used to summarize direct costs by activity and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

**C. Form FAM-27, Claim for Payment**

This form contains a certification that must be signed by an authorized officer of the CCD. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 are required.

Submit a signed original and one copy of form FAM-27, Claim for Payment. **To expedite the payment process, please sign the FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.**

Use the following mailing addresses:

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

If delivered by  
Other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 700  
Sacramento, CA 95816

**16. Retention of Claiming Instructions**

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. This Manual should be retained for future reference, and the forms should be duplicated to meet your filing requirements. Annually, new or revised forms, instructions, and any other information claimants may need to file claims will be placed on the SCO's Web site located at [www.sco.ca.gov/ard\\_mancost.html](http://www.sco.ca.gov/ard_mancost.html).

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, or by e-mail to [LRSDAR@sco.ca.gov](mailto:LRSDAR@sco.ca.gov), or call the Local Reimbursements Section at (916) 324-5729.

**17. Retention of Claim Records and Supporting Documentation**

Pursuant to Government Code Section 17558.5, (a), a reimbursement claim for actual costs filed by a CCD is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit will commence to run from the date of initial payment of the claim. In any case, an audit will be completed not later than two years after the date that the audit is commenced.

All documents used to support the reimbursable activities must be retained during the period subject to audit. If the Controller has initiated an audit during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents must be made available to the SCO on request.



**FY 1999-00**  
**Integrated Waste Management Claim**

<b>CLAIM FOR PAYMENT</b> Pursuant to Government Code Section 17561 <b>INTEGRATED WASTE MANAGEMENT</b>	For State Controller Use Only (19) Program Number 09256 (20) Date Filed <b>OCT 15 2005</b> (21) LRS Input <u>    </u>	<b>Program</b> <span style="font-size: 2em; font-weight: bold;">256</span>
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L A B E L  H E R E	(01) Claimant Identification Number: <b>CC 10225</b>		<b>Reimbursement Claim Data</b>		
	(02) Claimant Name: <b>State Center Community College District</b>		(22) IWM-1, (03)(A)(1)(f)	0	
	County of Location: <b>Fresno</b>		(23) IWM-1, (03)(A)(2)(f)	943	
	Street Address: <b>1525 East Weldon Avenue</b>		(24) IWM-1, (03)(B)(1)(f)	0	
	City: <b>Fresno</b>	State: <b>CA</b>	Zip Code: <b>93704-6398</b>	(25) IWM-1, (03)(B)(2)(f)	0
	Type of Claim	Estimated Claim		Reimbursement Claim	
		(03) Estimated	<input type="checkbox"/>	(09) Reimbursement	<input checked="" type="checkbox"/>
		(04) Combined	<input type="checkbox"/>	(10) Combined	<input type="checkbox"/>
		(05) Amended	<input type="checkbox"/>	(11) Amended	<input type="checkbox"/>
	Fiscal Year of Cost	(06)	(12)	<b>1999-2000</b>	(30) IWM-1, (03)(C)(2)(f)
Total Claimed Amount	(07)	(13)	\$ <b>36,517</b>	(31) IWM-1, (03)(D)(f)	0
Less: 10% Late Penalty		(14)	\$	(32) IWM-1, (03)(E)(f)	0
Less: Prior Claim Payment Received		(15)	\$	(33) IWM-1, (03)(F)(f)	1,549
Net Claimed Amount		(16)	\$ <b>36,517</b>	(34) IWM-1, (06)	6,136
Due from State	(08)	(17)	\$ <b>36,517</b>	(35) IWM-1, (08)	0
Due to State		(18)		(36) IWM-1, (09)	467

**(37) CERTIFICATION OF CLAIM**

In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost 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 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. 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 this 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 <b>(USE BLUE INK)</b> 	Date 
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Douglas R. Brinkley Type or Print Name	Vice Chancellor, Finance and Administration Title
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(38) Name of Contact Person for Claim  <b>SixTen and Associates</b>	Telephone Number: <b>(858) 514-8605</b>	E-mail Address: <b>kbpsixten@aol.com</b>
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<b>Program 256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>	<b>FORM IWM-1</b>
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(01) Claimant: State Center Community College District	(02) Type of Claim: Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year: 1999-2000
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Direct Costs	Object Accounts
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(03) Reimbursable Activities	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
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**A. One-Time Activities**

1 Development of Policies and Procedures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Staff Training	\$ 619.68	\$ -	\$ -	\$ -	\$ 322.85	\$ 942.53

**B. Ongoing Activities**

1 Completion and Submission of Plan to Board	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Response to Board During Approval Process	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 Consultation with Board	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 Designation of Waste Reduction and Recycling Coordinator	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 Diversion and Maintenance of Approved Level of Reduction	\$ 13,868.60	\$ -	\$ -	\$ 14,487.40	\$ -	\$ 28,356.00

**C. Alternative Compliance**

1 Alternative Requirements or Time Extension for 1/1/02 for 25% Waste	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Alternative Requirements or Time Extension for 1/1/04 for 50% Waste	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**D. Accounting System**

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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**E. Annual Report**

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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**F. Annual Recycled Material Reports**

\$ 1,549.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,549.20
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(04) Total Direct Costs	\$ 16,037.48	\$ -	\$ -	\$ 14,487.40	\$ 322.85	\$ 30,847.73
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**Indirect Costs**

(05) Indirect Cost Rate	[Federally approved OMB A-21, FAM-28C, or 7%]	38.26%
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(06) Total Indirect Costs	[Line (05) x line (04)(a)]	\$ 6,135.94
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(07) Total Direct and Indirect Costs	[Line (04)(f) + line (06)]	\$ 36,983.67
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**Cost Reduction**

(08) Less: Offsetting Savings	\$ -
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(09) Less: Other Reimbursements	\$ 466.90
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(10) Total Claimed Amount	[Line (07) - (Line (08) + Line (09))]	\$ 36,516.77
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2

**MANDATED COSTS  
INTEGRATED WASTE MANAGEMENT  
ACTIVITY COST DETAIL**

**FORM  
IWM-2**

1) Claimant: State Center Community College District (02) Fiscal Year: 1999-2000

2) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

One-Time Activities	<input type="checkbox"/>	Development of Policies and Procedures	<input checked="" type="checkbox"/>	Staff Training		
Ongoing Activities	<input type="checkbox"/>	Completion and Submission of Plan to Board	<input type="checkbox"/>	Response to Board During Approval Process	<input type="checkbox"/>	Consultation with Board
Alternative Compliance	<input type="checkbox"/>	Designation of Waste Reduction and Recycling Coordinator	<input type="checkbox"/>	Maintenance of Approved Level of Reduction		
	<input type="checkbox"/>	Alternative Requirement or Time Extension for 1/1/02 for 25% Waste	<input type="checkbox"/>	Alternative Requirement of Time Extension for 1/1/04 for 50% Waste		
	<input type="checkbox"/>	Accounting System	<input type="checkbox"/>	Annual Report	<input type="checkbox"/>	Annual Recycled Material Reports

3) Description of Expenses

(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	Object Accounts				
			(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Training district staff on the requirements and implementation of the plan							
Bravo, Juan Building Services Manager	\$38.73	16.0	\$ 619.68				
Bravo, Juan - Travel Costs State Agency Integrated Waste Mngmnt Plans	\$322.85	1.0					\$ 322.85
<b>Total</b>			\$ 619.68	\$ -	\$ -	\$ -	\$ 322.85

Total

Subtotal

Page 1 of 1

\$ 619.68 \$ - \$ - \$ - \$ 322.85



**MANDATED COSTS  
INTEGRATED WASTE MANAGEMENT  
ACTIVITY COST DETAIL**

FORM  
IWM-2

(1) Claimant: State Center Community College District  
 (02) Fiscal Year: 1999-2000

(3) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

One-Time Activities	<input type="checkbox"/> Development of Policies and Procedures	<input type="checkbox"/> Staff Training
Ongoing Activities	<input type="checkbox"/> Completion and Submission of Plan to Board	<input type="checkbox"/> Response to Board During Approval Process
	<input type="checkbox"/> Designation of Waste Reduction and Recycling Coordinator	<input checked="" type="checkbox"/> Maintenance of Approved Level of Reduction
Alternative Compliance	<input type="checkbox"/> Alternative Requirement or Time Extension for 1/1/02 for 25% Waste	<input type="checkbox"/> Alternative Requirement or Time Extension for 1/1/04 for 50% Waste
	<input type="checkbox"/> Accounting System	<input type="checkbox"/> Annual Report
		<input type="checkbox"/> Annual Recycled Material Reports

(4) Description of Expenses Object Accounts

(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
diverting solid waste from landfill disposal or transformation facilities - source reduction Materials and Supplies - Equipment      Central Valley Golf / Carryall Turf II XRT Gas Groundskeepers                                  Various	\$6,232.80 \$18.46	1.0 290.0	\$ 5,353.40			\$ 6,232.80	
diverting solid waste from landfill disposal or transformation facilities - recycling Materials and Supplies - Equipment      Central Valley Golf / Taylor-Dunn B2-10 Custodians    Various	\$8,254.60 \$17.74	1.0 480.0	\$ 8,515.20			\$ 8,254.60	
<b>Total</b>			\$ 13,868.60	\$ -	\$ -	\$ 14,487.40	\$ -

Program <b>252</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	FORM <b>IWM-2</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 1999-2000
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

One-Time Activities	<input type="checkbox"/>	Development of Policies and Procedures	<input type="checkbox"/>	Staff Training	
Ongoing Activities	<input type="checkbox"/>	Completion and Submission of Plan to Board	<input type="checkbox"/>	Response to Board During Approval Process	<input type="checkbox"/> Consultation with Board
	<input type="checkbox"/>	Designation of Waste Reduction and Recycling Coordinator	<input type="checkbox"/>	Maintenance of Approved Level of Reduction	
Alternative Compliance	<input type="checkbox"/>	Alternative Requirement or Time Extension for 1/1/02 for 25% Waste	<input type="checkbox"/>	Alternative Requirement of Time Extension for 1/1/04 for 50% Waste	
	<input type="checkbox"/>	Accounting System	<input type="checkbox"/>	Annual Report	<input checked="" type="checkbox"/> Annual Recycled Material Reports

(04) Description of Expenses

(a) Employee Name, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Reporting annually to the Board quantities of recyclable materials collected Bravo, Juan Building Services Manager	\$38.73	40.0	\$ 1,549.20				

(05) Total	<input checked="" type="checkbox"/>	Subtotal	<input type="checkbox"/>	Page 1 of 1	\$ 1,549.20	\$ -	\$ -	\$ -	\$ -
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**FY 2000-01**  
**Integrated Waste Management Claim**

<b>CLAIM FOR PAYMENT</b> Pursuant to Government Code Section 17561 <b>INTEGRATED WASTE MANAGEMENT</b>	For State Controller Bureau (19) Program Number 00256 (20) Date Filed <b>OCT 06 2005</b> (21) LRS Input <u>    </u>	<b>Program</b> <span style="font-size: 2em; font-weight: bold;">256</span>
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LABEL HERE	(01) Claimant Identification Number: <b>CC 10225</b>		<b>Reimbursement Claim Data</b>		
	(02) Claimant Name: <b>State Center Community College District</b>		(22) IWM-1, (03)(A)(1)(f)	0	
	County of Location: <b>Fresno</b>		(23) IWM-1, (03)(A)(2)(f)	0	
	Street Address: <b>1525 East Weldon Avenue</b>		(24) IWM-1, (03)(B)(1)(f)	0	
	City: <b>Fresno</b>	State: <b>CA</b>	Zip Code: <b>93704-6398</b>	(25) IWM-1, (03)(B)(2)(f)	0
	Type of Claim	Estimated Claim	Reimbursement Claim	(26) IWM-1, (03)(B)(3)(f)	0
		(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(27) IWM-1, (03)(B)(4)(f)	0
		(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28) IWM-1, (03)(B)(5)(f)	25,358
		(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29) IWM-1, (03)(C)(1)(f)	0
	Fiscal Year of Cost	(06)	(12) <b>2000-2001</b>	(30) IWM-1, (03)(C)(2)(f)	0
Total Claimed Amount	(07)	(13) \$ <b>32,449</b>	(31) IWM-1, (03)(D)(f)	0	
Less: 10% Late Penalty		(14) \$ <b>-</b>	(32) IWM-1, (03)(E)(f)	0	
Less: Prior Claim Payment Received		(15) \$ <b>-</b>	(33) IWM-1, (03)(F)(f)	1,632	
Net Claimed Amount		(16) \$ <b>32,449</b>	(34) IWM-1, (06)	5,694	
Due from State	(08)	(17) \$ <b>32,449</b>	(35) IWM-1, (08)	0	
Due to State		(18)	(36) IWM-1, (09)	236	

**(37) CERTIFICATION OF CLAIM**

In accordance with the provisions of Government Code Section 17661, I certify that I am the officer authorized by the community college district to file mandated cost 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 to 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 this 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:  **PLEASE BLUE INK**

Date: 9/8/05

Douglas R. Brinkley  
 Type or Print Name

Vice Chancellor, Finance and Administration  
 Title

(38) Name of Contact Person for Claim: **SixTen and Associates**

Telephone Number: **(858) 514-8605**

E-mail Address: **kbpsixten@aol.com**

<b>Program</b> <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>CLAIM SUMMARY</b>					<b>FORM</b> <b>IWM-1</b>
(01) Claimant: State Center Community College District			(02) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>		Fiscal Year 2000-2001	
<b>Direct Costs</b>		<b>Object Accounts</b>				
(03) Reimbursable Activities	(a)	(b)	(c)	(d)	(e)	(f)
	Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total
<b>A. One-Time Activities</b>						
1	Development of Policies and Procedures	\$ -	\$ -	\$ -	\$ -	\$ -
2	Staff Training	\$ -	\$ -	\$ -	\$ -	\$ -
<b>B. Ongoing Activities</b>						
1	Completion and Submission of Plan to Board	\$ -	\$ -	\$ -	\$ -	\$ -
2	Response to Board During Approval Process	\$ -	\$ -	\$ -	\$ -	\$ -
3	Consultation with Board	\$ -	\$ -	\$ -	\$ -	\$ -
4	Designation of Waste Reduction and Recycling Coordinator	\$ -	\$ -	\$ -	\$ -	\$ -
5	Diversion and Maintenance of Approved Level of Reduction	\$ 14,830.20	\$ -	\$ -	\$ 10,527.85	\$ 25,358.05
<b>C. Alternative Compliance</b>						
1	Alternative Requirements or Time Extension for 1/1/02 for 25% Waste	\$ -	\$ -	\$ -	\$ -	\$ -
2	Alternative Requirements or Time Extension for 1/1/04 for 50% Waste	\$ -	\$ -	\$ -	\$ -	\$ -
<b>D. Accounting System</b>						
<b>E. Annual Report</b>						
<b>F. Annual Recycled Material Reports</b>						
		\$ 1,632.40	\$ -	\$ -	\$ -	\$ 1,632.40
(04) Total Direct Costs		\$ 16,462.60	\$ -	\$ -	\$ 10,527.85	\$ 26,990.45
<b>Indirect Costs</b>						
(05) Indirect Cost Rate		[Federally approved OMB A-21, FAM-29C, or 7%]				34.59%
(06) Total Indirect Costs		[Line (05) x line (04)(a)]				\$ 5,694.41
(07) Total Direct and Indirect Costs		[Line (04)(f) + line (06)]				\$ 32,684.86
<b>Cost Reduction</b>						
(08) Less: Offsetting Savings						\$ -
(09) Less: Other Reimbursements						\$ 235.50
(10) Total Claimed Amount		[Line (07) - (Line (08) + Line (09))]				\$ 32,449.36

**MANDATED COSTS  
INTEGRATED WASTE MANAGEMENT  
ACTIVITY COST DETAIL**

**FORM  
IWM-2**

01) Claimant: State Center Community College District (02) Fiscal Year: 2000-2001

03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>One-Time Activities</b>	<input type="checkbox"/> Development of Policies and Procedures	<input type="checkbox"/> Staff Training	
<b>Ongoing Activities</b>	<input type="checkbox"/> Completion and Submission of Plan to Board	<input type="checkbox"/> Response to Board During Approval Process	<input type="checkbox"/> Consultation with Board
	<input type="checkbox"/> Designation of Waste Reduction and Recycling Coordinator	<input checked="" type="checkbox"/> Maintenance of Approved Level of Reduction	
<b>Alternative Compliance</b>	<input type="checkbox"/> Alternative Requirement or Time Extension for 1/1/02 for 25% Waste	<input type="checkbox"/> Alternative Requirement of Time Extension for 1/1/04 for 50% Waste	
	<input type="checkbox"/> Accounting System	<input type="checkbox"/> Annual Report	<input type="checkbox"/> Annual Recycled Material Reports

04) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Diverting solid waste from landfill disposal or transformation facilities - source reduction Groundskeepers Various	\$19.74	290.0	\$ 5,724.60				
Diverting solid waste from landfill disposal or transformation facilities - recycling Materials and Supplies - Equipment Patchmaster / Construction of Refuse Enclosure Custodians Various	\$10,527.85 \$18.97	1.0 480.0	\$ 9,105.60			\$ 10,527.85	
<b>Total</b>			\$ 14,830.20	\$ -	\$ -	\$ 10,527.85	\$ -

<b>Program</b> 246	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>IWM-2</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2000-2001
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

One-Time Activities	<input type="checkbox"/> Development of Policies and Procedures	<input type="checkbox"/> Staff Training
Ongoing Activities	<input type="checkbox"/> Completion and Submission of Plan to Board	<input type="checkbox"/> Response to Board During Approval Process
	<input type="checkbox"/> Designation of Waste Reduction and Recycling Coordinator	<input type="checkbox"/> Maintenance of Approved Level of Reduction
Alternative Compliance	<input type="checkbox"/> Alternative Requirement of Time Extension for 1/1/02 for 25% Waste	<input type="checkbox"/> Alternative Requirement of Time Extension for 1/1/04 for 50% Waste
	<input type="checkbox"/> Accounting System	<input type="checkbox"/> Annual Report
		<input checked="" type="checkbox"/> Annual Recycled Material Reports

(04) Description of Expenses

(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Reporting annually to the Board quantities of recyclable materials collected Bravo, Juan Building Services Manager	\$40.81	40.0	\$ 1,632.40				
<b>(05) Total</b> <input checked="" type="checkbox"/>	<b>Subtotal</b> <input type="checkbox"/>		\$ 1,632.40	\$ -	\$ -	\$ -	\$ -

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**FY 2003-04**  
**Integrated Waste Management Claim**



<b>CLAIM FOR PAYMENT</b> Pursuant to Government Code Section 17561 <b>INTEGRATED WASTE MANAGEMENT</b>	For State Controller Use only (19) Program Number 00256 (20) Date Filed <b>OCT 06 2005</b> (21) LRS Input <u>  /  /  </u>	<b>Program</b> <span style="font-size: 2em; font-weight: bold;">256</span>
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L A B E L  H E R E	(01) Claimant Identification Number: <span style="float: right;">CC 10225</span>		Reimbursement Claim Data		
	(02) Claimant Name: <span style="float: right;">State Center Community College District</span>		(22) IWM-1, (03)(A)(1)(f)	0	
	County of Location: <span style="float: right;">Fresno</span>		(23) IWM-1, (03)(A)(2)(f)	0	
	Street Address: <span style="float: right;">1525 East Weldon Avenue</span>		(24) IWM-1, (03)(B)(1)(f)	0	
	City: <span style="float: right;">Fresno</span>	State: <span style="float: right;">CA</span>	Zip Code: <span style="float: right;">93704-6398</span>	(25) IWM-1, (03)(B)(2)(f)	0
	Type of Claim	Estimated Claim	Reimbursement Claim	(26) IWM-1, (03)(B)(3)(f)	0
		(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(27) IWM-1, (03)(B)(4)(f)	0
		(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28) IWM-1, (03)(B)(5)(f)	28,333
		(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29) IWM-1, (03)(C)(1)(f)	375
	Fiscal Year of Cost: (06)		(12) <span style="float: right;">2003-2004</span>	(30) IWM-1, (03)(C)(2)(f)	0
Total Claimed Amount: (07)		(13) \$ <span style="float: right;">43,122</span>	(31) IWM-1, (03)(D)(f)	703	
Less: 10% Late Penalty		(14) \$ <span style="float: right;">-</span>	(32) IWM-1, (03)(E)(f)	0	
Less: Prior Claim Payment Received		(15) \$ <span style="float: right;">-</span>	(33) IWM-1, (03)(F)(f)	3,670	
Net Claimed Amount		(16) \$ <span style="float: right;">43,122</span>	(34) IWM-1, (06)	10,364	
Due from State: (08)		(17) \$ <span style="float: right;">43,122</span>	(35) IWM-1, (08)	0	
Due to State		(18)	(36) IWM-1, (09)	323	

**(37) CERTIFICATION OF CLAIM**

In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost 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 to 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 this 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:  (USE BLUE INK)

Date: 

Douglas R. Brinkley  
 Type or Print Name

Vice Chancellor, Finance and Administration  
 Title

(38) Name of Contact Person for Claim: SixTen and Associates

Telephone Number: (858) 514-8605

E-mail Address: kbsixten@aol.com

<b>Program 256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>					<b>FORM IWM-1</b>
(01) Claimant: State Center Community College District			(02) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>		Fiscal Year 2003-2004	
<b>Direct Costs</b>		<b>Object Accounts</b>				
(03) Reimbursable Activities	(a)	(b)	(c)	(d)	(e)	(f)
	Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total
<b>A. One-Time Activities</b>						
1	Development of Policies and Procedures	\$ -	\$ -	\$ -	\$ -	\$ -
2	Staff Training	\$ -	\$ -	\$ -	\$ -	\$ -
<b>B. Ongoing Activities</b>						
1	Completion and Submission of Plan to Board	\$ -	\$ -	\$ -	\$ -	\$ -
2	Response to Board During Approval Process	\$ -	\$ -	\$ -	\$ -	\$ -
3	Consultation with Board	\$ -	\$ -	\$ -	\$ -	\$ -
4	Designation of Waste Reduction and Recycling Coordinator	\$ -	\$ -	\$ -	\$ -	\$ -
5	Diversion and Maintenance of Approved Level of Reduction	\$ 28,332.80	\$ -	\$ -	\$ -	\$ 28,332.80
<b>C. Alternative Compliance</b>						
1	Alternative Requirements or Time Extension for 1/1/02 for 25% Waste	\$ 375.12	\$ -	\$ -	\$ -	\$ 375.12
2	Alternative Requirements or Time Extension for 1/1/04 for 50% Waste	\$ -	\$ -	\$ -	\$ -	\$ -
<b>D. Accounting System</b>						
		\$ 703.35	\$ -	\$ -	\$ -	\$ 703.35
<b>E. Annual Report</b>						
		\$ -	\$ -	\$ -	\$ -	\$ -
<b>F. Annual Recycled Material Reports</b>						
		\$ 3,669.55	\$ -	\$ -	\$ -	\$ 3,669.55
<b>(04) Total Direct Costs</b>		<b>\$ 33,080.82</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,080.82</b>
<b>Indirect Costs</b>						
(05) Indirect Cost Rate		[Federally approved OMB A-21, FAM-20C, or 7%]				31.33%
(06) Total Indirect Costs		[Line (05) x line (04)(a)]				\$ 10,364.22
(07) Total Direct and Indirect Costs		[Line (04)(f) + line (06)]				\$ 43,445.04
<b>Cost Reduction</b>						
(08) Less: Offsetting Savings						\$ -
(09) Less: Other Reimbursements						\$ 323.30
<b>(10) Total Claimed Amount</b>		<b>[Line (07) - (Line (08) + Line (09))]</b>				<b>\$ 43,121.74</b>

Program <b>256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT ACTIVITY COST DETAIL</b>	<b>FORM IWM-2</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2003-2004
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

One-Time Activities	<input type="checkbox"/> Development of Policies and Procedures	<input type="checkbox"/> Staff Training
Ongoing Activities	<input type="checkbox"/> Completion and Submission of Plan to Board	<input type="checkbox"/> Response to Board During Approval Process
	<input type="checkbox"/> Designation of Waste Reduction and Recycling Coordinator	<input checked="" type="checkbox"/> Maintenance of Approved Level of Reduction
Alternative Compliance	<input type="checkbox"/> Alternative Requirement or Time Extension for 1/1/02 for 25% Waste	<input type="checkbox"/> Alternative Requirement of Time Extension for 1/1/04 for 50% Waste
	<input type="checkbox"/> Accounting System	<input type="checkbox"/> Annual Report
		<input type="checkbox"/> Annual Recycled Material Reports

(04) Description of Expenses	Object Accounts			
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(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Diverting solid waste from landfill disposal or transformation facilities - source reduction Groundskeepers                      Various	\$23.92	290.0	\$ 6,936.80				
Diverting solid waste from landfill disposal or transformation facilities - recycling Custodians                              Various	\$23.00	720.0	\$ 16,560.00				
Student Aides                            Various	\$7.75	624.0	\$ 4,836.00				

(05) Total <input checked="" type="checkbox"/>	Subtotal <input type="checkbox"/>	Page 1 of 1	\$ 28,332.80	\$ -	\$ -	\$ -	\$ -
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**MANDATED COSTS**  
**INTEGRATED WASTE MANAGEMENT**  
**ACTIVITY COST DETAIL**

**FORM IWM-2**

(01) Claimant: State Center Community College District  
 (02) Fiscal Year: 2003-2004

(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

One-Time Activities	<input type="checkbox"/>	Development of Policies and Procedures	<input type="checkbox"/>	Staff Training	<input type="checkbox"/>
Ongoing Activities	<input type="checkbox"/>	Completion and Submission of Plan to Board	<input type="checkbox"/>	Response to Board During Approval Process	<input type="checkbox"/>
	<input type="checkbox"/>	Designation of Waste Reduction and Recycling Coordinator	<input type="checkbox"/>	Maintenance of Approved Level of Reduction	<input type="checkbox"/>
Alternative Compliance	<input checked="" type="checkbox"/>	Alternative Requirement or Time Extension for 1/1/02 for 25% Waste	<input type="checkbox"/>	Alternative Requirement of Time Extension for 1/1/04 for 50% Waste	<input type="checkbox"/>
	<input type="checkbox"/>	Accounting System	<input type="checkbox"/>	Annual Report	<input type="checkbox"/>
				Annual Recycled Material Reports	<input type="checkbox"/>

(04) Description of Expenses

(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Alternative requirement or time extension if unable to comply with 25% waste reduction by January 1, 2002 Burgess, James Business Services Manager - RC	\$46.89	8.0	\$ 375.12				

(05) Total  Subtotal  Page 1 of 1 \$ 375.12 \$ - \$ - \$ - \$ -

Program <b>255</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	FORM IWM-2
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(01) Claimant State Center Community College District	(02) Fiscal Year 2003-2004
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

One-Time Activities	<input type="checkbox"/> Development of Policies and Procedures	<input type="checkbox"/> Staff Training	
Ongoing Activities	<input type="checkbox"/> Completion and Submission of Plan to Board	<input type="checkbox"/> Response to Board During Approval Process	<input type="checkbox"/> Consultation with Board
	<input type="checkbox"/> Designation of Waste Reduction and Recycling Coordinator	<input type="checkbox"/> Maintenance of Approved Level of Reduction	
Alternative Compliance	<input type="checkbox"/> Alternative Requirement or Time Extension for 1/1/02 for 25% Waste	<input type="checkbox"/> Alternative Requirement of Time Extension for 1/1/04 for 50% Waste	
	<input checked="" type="checkbox"/> Accounting System	<input type="checkbox"/> Annual Report	<input type="checkbox"/> Annual Recycled Material Reports

(04) Description of Expenses

(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Developing, implementing, maintaining accounting system to track source reduction, recycling, or composting Burgess, James Business Services Manager - RC	\$46.89	15.0	\$ 703.35				
(05) Total <input checked="" type="checkbox"/>	Subtotal <input type="checkbox"/>	Page 1 of 1	\$ 703.35	\$ -	\$ -	\$ -	\$ -

**MANDATED COSTS**  
**INTEGRATED WASTE MANAGEMENT**  
**ACTIVITY COST DETAIL**

**FORM IWM-2**

(01) Claimant: State Center Community College District  
 (02) Fiscal Year: 2003-2004

(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

One-Time Activities	<input type="checkbox"/> Development of Policies and Procedures	<input type="checkbox"/> Staff Training
Ongoing Activities	<input type="checkbox"/> Completion and Submission of Plan to Board	<input type="checkbox"/> Response to Board During Approval Process
	<input type="checkbox"/> Designation of Waste Reduction and Recycling Coordinator	<input type="checkbox"/> Maintenance of Approved Level of Reduction
Alternative Compliance	<input type="checkbox"/> Alternative Requirement or Time Extension for 1/1/02 for 25% Waste	<input type="checkbox"/> Alternative Requirement of Time Extension for 1/1/04 for 50% Waste
	<input type="checkbox"/> Accounting System	<input type="checkbox"/> Annual Report
		<input checked="" type="checkbox"/> Annual Recycled Material Reports

(04) Description of Expenses	Object Accounts						
(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Reporting annually to the Board quantities of recyclable materials collected							
Bravo, Juan Business Services Manager - FCC	\$50.71	40.0	\$ 2,028.40				
Burgess, James Business Services Manager - RC	\$46.89	35.0	\$ 1,641.15				
(05) Total <input checked="" type="checkbox"/>			\$ 3,669.55	\$ -	\$ -	\$ -	\$ -

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**FY 2004-05**  
**Integrated Waste Management Claim**

<b>CLAIM FOR PAYMENT</b> Pursuant to Government Code Section 17561 <b>INTEGRATED WASTE MANAGEMENT</b>	For State Controller Use only (19) Program Number 00256 (20) Date <b>MAR 30 2009</b> (21) LRS Input ___/___/___	<b>Program</b> <span style="font-size: 2em; font-weight: bold;">256</span>
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(01) Claimant Identification Number: CC 10225 ✓		Reimbursement Claim Data	
(02) Claimant Name: State Center Community College District ✓		(22) FORM-1A, (04)(f)	29,526
Address: Fresno County		(23) FORM-1A, (05)	37
1525 East Weldon Avenue		(24) FORM-1A, (08)	44,126
Fresno CA 93704-6398		(25) FORM-1A, (09)	
Type of Claim	Estimated Claim	Reimbursement Claim	(26) FORM-1A, (10)
	(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 checked="" type="checkbox"/>	(29)
Fiscal Year of cost	(06)	(12) 2004-2005	(30)
Total Claimed Amount	(07)	(13) \$ 43,524	(31)
Less: 10% Late Penalty (refer to claiming instructions)		(14) \$ ✓	(32)
Less: Prior Claim Payment Received		(15) \$	(33)
Net Claimed Amount		(16) \$ 43,524	(34)
Due from State	(08)	(17) \$ 43,524	(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 community college district to file mandated cost 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 to 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 this 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 (USE BLUE INK) Date 3-24-09 ✓

Douglas R. Brinkley Vice Chancellor, Finance and Administration  
 Type or Print Name Title  
 (38) Name of Contact Person for Claim  
 Telephone Number: (858) 514-8605  
 E-mail Address: kbpsixten@aol.com  
 SixTen and Associates

019 \$ 42,327  
227



<b>Program 256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>	<b>FORM 1A</b>
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(1) Claimant: State Center Community College District	(02)	Fiscal Year 2004-2005
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Direct Costs	Object Accounts					
	(a)	(b)	(c)	(d)	(e)	(f)
	Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total
3) Reimbursable Activities						
<b>One-Time Activity</b>						
1. Develop Policies and Procedures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Train District Staff on IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Ongoing Activities</b>						
1. Complete and Submit IWM Plan to Board	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Respond to Board Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Consult with Board to Revise Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Designate Coordinator for Each College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Divert Solid Waste/Maintain Required Level	\$ 29,526.10	\$ -	\$ -	\$ -	\$ -	\$ 29,526.10
<b>(04) Total Direct Costs</b>	<b>\$ 29,526.10</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,526.10</b>

<b>Indirect Costs</b>	
(15) Indirect Cost Rate	[Federally Approved OMB A-21, FAM-29C, or 7%] 36.50%
(16) Total Indirect Costs	[Line (04)(a) x line (05)] \$ 10,777.03
(17) Total Direct and Indirect Costs	[Line (04)(f) + line (06)] \$ 40,303.13
(18) Total from Forms 1A, 1B, and 1C	[Add 1A(07) + 1B(07) + 1C(07)] \$ 44,125.59

<b>Cost Reduction</b>	
(19) Less: Offsetting Savings	\$ -
(20) Less: Other Reimbursements	\$ 602.00
(21) Total Claimed Amount:	[Line (07) - (Line (08) + Line (09))] \$ 43,523.59

<b>Program 256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>	<b>FORM 1C</b>
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(1) Claimant: State Center Community College District	(02)	Fiscal Year 2004-2005
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Direct Costs	Object Accounts					
	(a)	(b)	(c)	(d)	(e)	(f)
	Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total
(3) Reimbursable Activities						
1. Accounting System	<b>Reimbursement begins January 1, 2000</b>					
1. Develop, Implement & Maintain System	\$ 391.28	\$ -	\$ -	\$ -	\$ -	\$ 391.28
2. Annual Report of Progress	<b>Reimbursement begins January 1, 2000</b>					
Calculations of Annual Disposal Reduction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Information on the Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Summary of Progress Made in IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. The Extent of CCD's Use of IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Time Extension Summary of Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Alternative Reduction Summary of Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Annual Recycled Material Reports	<b>Reimbursement begins July 1, 1999</b>					
1. Annual Report to the Board	\$ 2,409.06	\$ -	\$ -	\$ -	\$ -	\$ 2,409.06
(4) Total Direct Costs	\$ 2,800.34	\$ -	\$ -	\$ -	\$ -	\$ 2,800.34

Indirect Costs		
(5) Indirect Cost Rate	[Federally Approved OMB A-21, FAM-29C, or 7%]	36.50%
(6) Total Indirect Costs	[Line (04)(a) x line (05)]	\$ 1,022.12
(7) Total Direct and Indirect Costs	[Line (04)(f) + line (06)]      [Forward total to Form-1A, line (08)]	\$ 3,822.46

Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>2A</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2004-2005
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>A. One-Time Activity</b> <input type="checkbox"/> Develop Policies and Procedures <input type="checkbox"/> Train District Staff on IWM Plan	<b>B. Ongoing Activities</b> <input type="checkbox"/> Complete and Submit IWM Plan to Board <input type="checkbox"/> Respond to Board Requirements <input type="checkbox"/> Consult with Board to Revise Plan <input type="checkbox"/> Designate Coordinator for Each College <input checked="" type="checkbox"/> Divert Solid Waste/Maintain Required Level
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(04) Description of Expenses	Object Accounts						
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Diverting solid waste from landfill disposal or transformation facilities - recycling							
Custodians            Various	\$24.17	720.0	\$ 17,402.40				
Student Aides        Various	\$7.75	624.0	\$ 4,836.00				
Diverting solid waste from landfill disposal or transformation facilities - source reduction							
Groundskeepers        Various	\$25.13	290.0	\$ 7,287.70				

(05) Total	<input checked="" type="checkbox"/>	Subtotal	<input type="checkbox"/>	Page 1 of 1	\$ 29,526.10	\$ -	\$ -	\$ -	\$ -
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Nov 12/00

Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>2C</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2004-2005
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>D. Accounting System</b> <input checked="" type="checkbox"/> Develop, Implement & Maintain System <b>F. Annual Recycled Materials Reports</b> <input type="checkbox"/> Annual Report to the Board	<b>E. Annual Report of Progress</b> <input type="checkbox"/> Calculations of Annual Disposal Reduction <input type="checkbox"/> Information on the Changes <input type="checkbox"/> Summary of Progress Made in IWM Plan <input type="checkbox"/> The Extent of CCD's Use of IWM Plan <input type="checkbox"/> Time Extension Summary of Progress <input type="checkbox"/> Alternative Reduction Summary of Progress
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(04) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Developing, implementing, maintaining accounting system to track source reduction, recycling, or composting Burgess, James                      Business Services Manager - RC	\$48.91	8.0	\$ 391.28				
(05) Total <input checked="" type="checkbox"/> Subtotal <input type="checkbox"/>			\$ 391.28	\$ -	\$ -	\$ -	\$ -

Program <b>256</b>	<b>MANDATED COSTS                  INTEGRATED WASTE MANAGEMENT                  ACTIVITY COST DETAIL</b>	<b>FORM                  2C</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2004-2005
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>D. Accounting System</b> <input type="checkbox"/> Develop, Implement & Maintain System  <b>F. Annual Recycled Materials Reports</b> <input checked="" type="checkbox"/> Annual Report to the Board	<b>E. Annual Report of Progress</b> <input type="checkbox"/> Calculations of Annual Disposal Reduction <input type="checkbox"/> Information on the Changes <input type="checkbox"/> Summary of Progress Made in IWM Plan <input type="checkbox"/> The Extent of CCD's Use of IWM Plan <input type="checkbox"/> Time Extension Summary of Progress <input type="checkbox"/> Alternative Reduction Summary of Progress
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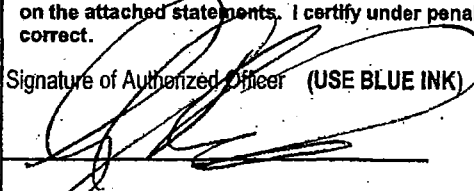
(04) Description of Expenses Object Accounts

(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Reporting annually to the Board quantities of recycleble materials collected Bravo, Juan                      Business Services Manager - FCC Burgess, James                  Business Services Manager - RC	\$52.89 \$48.91	40.0 6.0	\$ 2,115.60 \$ 293.46				

(05) Total	<input checked="" type="checkbox"/>	Subtotal	<input type="checkbox"/>	Page 1 of 1	\$ 2,409.06	\$ -	\$ -	\$ -	\$ -
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How 1296

**FY 2005-06**  
**Integrated Waste Management Claim**

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 INTEGRATED WASTE MANAGEMENT		For State Controller Use only	
		(19) Program Number 00256 MAR 30 2009	Program 256
(01) Claimant Identification Number: CC 10225		Reimbursement Claim Data	
(02) Claimant Name: State Center Community College District		(22) FORM-1A, (04)(f)	42,647
Address: Fresno County		(23) FORM-1A, (05)	37
1525 East Weldon Avenue		(24) FORM-1A, (08)	61,252
Fresno CA 93704-6398		(25) FORM-1A, (09)	
<b>Type of Claim</b>	<b>Estimated Claim</b>	<b>Reimbursement Claim</b>	(26) FORM-1A, (10)
	(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 checked="" type="checkbox"/>	(29)
(06) Fiscal Year of cost		(12) 2005-2006	(30)
(07) Total Claimed Amount		(13) \$ 60,877	(31)
Less: 10% Late Penalty (refer to claiming instructions)		(14) \$	(32)
Less: Prior Claim Payment Received		(15) \$	(33)
Net Claimed Amount		(16) \$ 60,877	(34)
(08) Due from State		(17) \$ 60,877	(35) Extra
Due to State		(18)	(36) FAM-27
<b>(37) CERTIFICATION OF CLAIM</b>			
<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 mandated cost 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 to 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 this 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 (USE BLUE INK)		Date	
		3-24-09	
Douglas R. Brinkley		Vice Chancellor, Finance and Administration	
Type or Print Name		Title	
(38) Name of Contact Person for Claim		Telephone Number: (858) 514-8605	
SixTen and Associates		E-mail Address: kbpsixten@aol.com	

<b>Program 256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>	<b>FORM 1A</b>
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(01) Claimant: State Center Community College District	(02) Fiscal Year 2005-2006
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Direct Costs	Object Accounts					
	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
(03) Reimbursable Activities						
<b>A. One-Time Activity</b>						
1. Develop Policies and Procedures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Train District Staff on IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>B. Ongoing Activities</b>						
1. Complete and Submit IWM Plan to Board	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Respond to Board Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Consult with Board to Revise Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Designate Coordinator for Each College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Divert Solid Waste/Maintain Required Level	\$ 42,647.10	\$ -	\$ -	\$ -	\$ -	\$ 42,647.10
(04) Total Direct Costs	\$ 42,647.10	\$ -	\$ -	\$ -	\$ -	\$ 42,647.10

<b>Indirect Costs</b>		
(05) Indirect Cost Rate	[Federally Approved OMB A-21, FAM-29C, or 7%]	36.50%
(06) Total Indirect Costs	[Line (04)(a) x line (05)]	\$ 15,566.19
(07) Total Direct and Indirect Costs	[Line (04)(f) + line (06)]	\$ 58,213.29
(08) Total from Forms 1A, 1B, and 1C	[Add 1A(07) + 1B(07) + 1C(07)]	\$ 61,251.78

<b>Cost Reduction</b>		
(09) Less: Offsetting Savings		\$ -
(10) Less: Other Reimbursements		\$ 375.00
(11) Total Claimed Amount:	[Line (07) - {Line (08) + Line (09)}]	\$ 60,876.78



<b>Program 256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>	<b>FORM 1C</b>
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(01) Claimant: State Center Community College District	(02) Fiscal Year 2005-2006
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Direct Costs	Object Accounts					
	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
(03) Reimbursable Activities						
<b>D. Accounting System</b>	<b>Reimbursement begins January 1, 2000</b>					
1. Develop, Implement & Maintain System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>E. Annual Report of Progress</b>	<b>Reimbursement begins January 1, 2000</b>					
1. Calculations of Annual Disposal Reduction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Information on the Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Summary of Progress Made in IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. The Extent of CCD's Use of IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Time Extension Summary of Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Alternative Reduction Summary of Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>F. Annual Recycled Material Reports</b>	<b>Reimbursement begins July 1, 1999</b>					
1. Annual Report to the Board	\$ 2,226.00	\$ -	\$ -	\$ -	\$ -	\$ 2,226.00
(04) Total Direct Costs	\$ 2,226.00	\$ -	\$ -	\$ -	\$ -	\$ 2,226.00

<b>Indirect Costs</b>		
(05) Indirect Cost Rate	[Federally Approved OMB A-21, FAM-29C, or 7%]	36.50%
(06) Total Indirect Costs	[Line (04)(a) x line (05)]	\$ 812.49
(07) Total Direct and Indirect Costs	[Line (04)(f) + line (06)] [Forward total to Form-1A, line (08)]	\$ 3,038.49

ew 12/08

Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>2C</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2005-2006
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>D. Accounting System</b> <input type="checkbox"/> Develop, Implement & Maintain System <b>F. Annual Recycled Materials Reports</b> <input checked="" type="checkbox"/> Annual Report to the Board	<b>E. Annual Report of Progress</b> <input type="checkbox"/> Calculations of Annual Disposal Reduction <input type="checkbox"/> Information on the Changes <input type="checkbox"/> Summary of Progress Made in IWM Plan <input type="checkbox"/> The Extent of CCD's Use of IWM Plan <input type="checkbox"/> Time Extension Summary of Progress <input type="checkbox"/> Alternative Reduction Summary of Progress
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(04) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Reporting annually to the Board quantities of recyclable materials collected Bravo, Juan                      Building Services Manager	\$55.65	40.0	\$ 2,226.00				

(05) Total	<input checked="" type="checkbox"/>	Subtotal	<input type="checkbox"/>	Page 1 of 1	\$ 2,226.00	\$ -	\$ -	\$ -	\$ -
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New 12/96

**FY 2006-07**  
**Integrated Waste Management Claim**

<b>CLAIM FOR PAYMENT</b> Pursuant to Government Code Section 17561 <b>INTEGRATED WASTE MANAGEMENT</b>	For State Controller Use only (19) Program Number 00256 (20) Date Filed <b>MAR 30 2009</b> (21) LRS Input ___/___/___	<b>Program 256</b>
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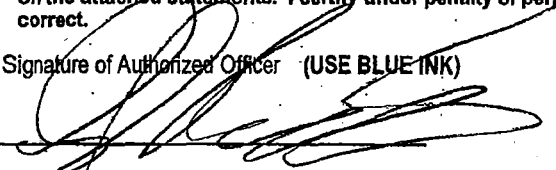
(01) Claimant Identification Number: CC 10225		<b>Reimbursement Claim Data</b>	
(02) Claimant Name	State Center Community College District	(22) FORM-1A, (04)(f)	35,130
Address	Fresno County	(23) FORM-1A, (05)	37
	1525 East Weldon Avenue	(24) FORM-1A, (08)	51,161
	Fresno CA 93704-6398	(25) FORM-1A, (09)	
<b>Type of Claim</b>	<b>Estimated Claim</b>	<b>Reimbursement Claim</b>	(26) FORM-1A, (10) <span style="float: right;">710</span>
	(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 checked="" type="checkbox"/>	(29)
Fiscal Year of cost	(06) 2006-2007	(12)	(30)
Total Claimed Amount	(07) \$ 50,451	(13)	(31)
Less: 10% Late Penalty (refer to claiming instructions)	(14) \$	(14)	(32)
Less: Prior Claim Payment Received	(15) \$	(15)	(33)
Net Claimed Amount	(16) \$ 50,451	(16)	(34)
Due from State	(17) \$ 50,451	(17)	(35) <b>Extra</b>
Due to State	(18)	(18)	(36) <b>FAM-27</b>

**(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 mandated cost 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 to 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 this 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 (USE BLUE INK)  Douglas R. Brinkley Name or Print Name Name of Contact Person for Claim	Date 3-24-09 Vice Chancellor, Finance and Administration Title Telephone Number: (858) 514-8605 E-mail Address: kbpsixten@aol.com
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SixTen and Associates

<b>Program</b> <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>CLAIM SUMMARY</b>	<b>FORM</b> <b>1A</b>
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(01) Claimant: State Center Community College District	(02)	Fiscal Year 2006-2007
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Direct Costs	Object Accounts					
	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
(03) Reimbursable Activities						
<b>A. One-Time Activity</b>						
1. Develop Policies and Procedures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Train District Staff on IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>3. Ongoing Activities</b>						
1. Complete and Submit IWM Plan to Board	\$ 217.64	\$ -	\$ -	\$ -	\$ -	\$ 217.64
2. Respond to Board Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Consult with Board to Revise Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Designate Coordinator for Each College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Divert Solid Waste/Maintain Required Level	\$ 34,912.13	\$ -	\$ -	\$ -	\$ -	\$ 34,912.13
<b>(04) Total Direct Costs</b>	<b>\$ 35,129.77</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 35,129.77</b>

<b>Indirect Costs</b>		
(05) Indirect Cost Rate	[Federally Approved OMB A-21, FAM-29C, or 7%]	36.50%
(06) Total Indirect Costs	[Line (04)(a) x line (05)]	\$ 12,822.37
(07) Total Direct and Indirect Costs	[Line (04)(f) + line (06)]	\$ 47,952.14
(08) Total from Forms 1A, 1B, and 1C	[Add 1A(07) + 1B(07) + 1C(07)]	\$ 51,160.98

<b>Cost Reduction</b>		
(09) Less: Offsetting Savings		\$ -
(10) Less: Other Reimbursements		\$ 710.00
<b>(11) Total Claimed Amount:</b>	[Line (07) - {Line (08) + Line (09)}]	<b>\$ 50,450.98</b>

<b>Program 256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>	<b>FORM 1C</b>
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01) Claimant State Center Community College District	(02)	Fiscal Year 2006-2007
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Direct Costs	Object Accounts					
	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
03) Reimbursable Activities						
<b>D. Accounting System</b>	<b>Reimbursement begins January 1, 2000</b>					
1. Develop, Implement & Maintain System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>E. Annual Report of Progress</b>	<b>Reimbursement begins January 1, 2000</b>					
Calculations of Annual Disposal Reduction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Information on the Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Summary of Progress Made in IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. The Extent of CCD's Use of IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Time Extension Summary of Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Alternative Reduction Summary of Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>F. Annual Recycled Material Reports</b>	<b>Reimbursement begins July 1, 1999</b>					
1. Annual Report to the Board	\$ 2,350.80	\$ -	\$ -	\$ -	\$ -	\$ 2,350.80
04) Total Direct Costs	\$ 2,350.80	\$ -	\$ -	\$ -	\$ -	\$ 2,350.80

<b>Indirect Costs</b>		
05) Indirect Cost Rate	[Federally Approved OMB A-21, FAM-29C, or 7%]	36.50%
06) Total Indirect Costs	[Line (04)(a) x line (05)]	\$ 858.04
07) Total Direct and Indirect Costs	[Line (04)(f) + line (06)] [Forward total to Form-1A, line (08)]	\$ 3,208.84

Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>2A</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2006-2007
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>A. One-Time Activity</b> <input type="checkbox"/> Develop Policies and Procedures <input type="checkbox"/> Train District Staff on IWM Plan	<b>B. Ongoing Activities</b> <input checked="" type="checkbox"/> Complete and Submit IWM Plan to Board <input type="checkbox"/> Respond to Board Requirements <input type="checkbox"/> Consult with Board to Revise Plan <input type="checkbox"/> Designate Coordinator for Each College <input type="checkbox"/> Divert Solid Waste/Maintain Required Level
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(04) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Completing/submitting the State Agency Model Integrated Waste Management Plan Burgess, James                      Manager	\$54.41	4.0	\$ 217.64				

(05) Total <input checked="" type="checkbox"/>	Subtotal <input type="checkbox"/>	Page 1 of 1	\$ 217.64	\$ -	\$ -	\$ -	\$ -
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Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>2A</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2006-2007
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>A. One-Time Activity</b> <input type="checkbox"/> Develop Policies and Procedures <input type="checkbox"/> Train District Staff on IWM Plan	<b>B. Ongoing Activities</b> <input type="checkbox"/> Complete and Submit IWM Plan to Board <input type="checkbox"/> Respond to Board Requirements <input type="checkbox"/> Consult with Board to Revise Plan <input type="checkbox"/> Designate Coordinator for Each College <input checked="" type="checkbox"/> Divert Solid Waste/Maintain Required Level
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(04) Description of Expenses	Object Accounts						
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Diverting solid waste from landfill disposal or transformation facilities - recycling Polanco, Henry                      Custodian	\$35.63	720.0	\$ 25,653.60				
Diverting solid waste from landfill disposal or transformation facilities - source reduction Burgess, James                      Manager Polanco, Henry                      Custodian	\$54.41 \$35.63	13.0 240.0	\$ 707.33 \$ 8,551.20				

(05) Total <input checked="" type="checkbox"/>	Subtotal <input type="checkbox"/>	Page 1 of 1	\$ 34,912.13	\$ -	\$ -	\$ -	\$ -
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Program <b>256</b>	<b>MANDATED COSTS                  INTEGRATED WASTE MANAGEMENT                  ACTIVITY COST DETAIL</b>	<b>FORM                  2C</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2006-2007
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>D. Accounting System</b> <input type="checkbox"/> Develop, Implement & Maintain System <b>F. Annual Recycled Materials Reports</b> <input checked="" type="checkbox"/> Annual Report to the Board	<b>E. Annual Report of Progress</b> <input type="checkbox"/> Calculations of Annual Disposal Reduction <input type="checkbox"/> Information on the Changes <input type="checkbox"/> Summary of Progress Made in IWM Plan <input type="checkbox"/> The Extent of CCD's Use of IWM Plan <input type="checkbox"/> Time Extension Summary of Progress <input type="checkbox"/> Alternative Reduction Summary of Progress
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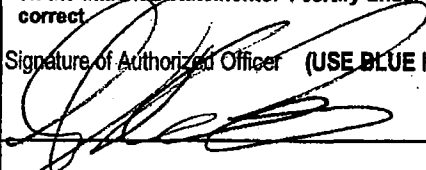
(04) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Reporting annually to the Board quantities of recyclable materials collected Bravo, Juan                      Building Services Manager	\$58.77	40.0	\$ 2,350.80				

(05) Total	<input checked="" type="checkbox"/>	Subtotal	<input type="checkbox"/>	Page 1 of 1	\$ 2,350.80	\$ -	\$ -	\$ -	\$ -
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Form 12906

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**FY 2007-08**  
**Integrated Waste Management Claim**

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 INTEGRATED WASTE MANAGEMENT		For State Controller Use only	
		(19) Program Number 00256	Program <b>256</b>
(01) Claimant Identification Number: CC 10225 ✓		Reimbursement Claim Data	
(02) Claimant Name: State Center Community College District ✓		(22) FORM-1A, (04)(f)	36,010
Address: Fresno County		(23) FORM-1A, (05)	37
1525 East Weldon Avenue		(24) FORM-1A, (08)	52,525
Fresno CA 93704-6398		(25) FORM-1A, (09)	
Type of Claim	Estimated Claim	Reimbursement Claim	(26) FORM-1A, (10)
(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>	(27)	1,728
(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28)	
(05) Amended <input type="checkbox"/>	(11) Amended <input checked="" type="checkbox"/>	(29)	
Fiscal Year of cost	(06)	(12) 2007-2008 ✓	(30)
Total Claimed Amount	(07)	(13) \$ 50,797	(31)
Less: 10% Late Penalty (refer to claiming instructions)		(14) \$ -	(32)
Less: Prior Claim Payment Received		(15) \$ -	(33)
Net Claimed Amount		(16) \$ 50,797	(34)
Due from State	(08)	(17) \$ 50,797	(35)
Due to State		(18)	(36)
<b>(37) CERTIFICATION OF CLAIM</b>			
<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 mandated cost 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 to 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 this 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 (USE BLUE INK)		Date	
		3-24-09	
Douglas R. Brinkley		Vice Chancellor, Finance and Administration	
Type or Print Name		Title	
(38) Name of Contact Person for Claim			
SixTen and Associates		Telephone Number: (858) 514-8605	
		E-mail Address: kbpsixten@aol.com	

<b>Program 256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>	<b>FORM 1A</b>
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(01) Claimant: State Center Community College District	(02)	Fiscal Year 2007-2008
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Direct Costs	Object Accounts					
	(a)	(b)	(c)	(d)	(e)	(f)
(03) Reimbursable Activities	Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total
<b>A. One-Time Activity</b>						
1. Develop Policies and Procedures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Train District Staff on IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>B. Ongoing Activities</b>						
1. Complete and Submit IWM Plan to Board	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Respond to Board Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Consult with Board to Revise Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Designate Coordinator for Each College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Divert Solid Waste/Maintain Required Level	\$ 36,009.60	\$ -	\$ -	\$ -	\$ -	\$ 36,009.60
<b>(04) Total Direct Costs</b>	<b>\$ 36,009.60</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,009.60</b>

<b>Indirect Costs</b>		
(05) Indirect Cost Rate	[Federally Approved OMB A-21, FAM-29C, or 7%]	36.50%
(06) Total Indirect Costs	[Line (04)(a) x line (05)]	\$ 13,143.50
(07) Total Direct and Indirect Costs	[Line (04)(f) + line (06)]	\$ 49,153.10
(08) Total from Forms 1A, 1B, and 1C	[Add 1A(07) + 1B(07) + 1C(07)]	\$ 52,524.65

<b>Cost Reduction</b>		
(09) Less: Offsetting Savings		\$ -
(10) Less: Other Reimbursements		\$ 1,728.00
<b>(11) Total Claimed Amount:</b>	[Line (07) - (Line (08) + Line (09))]	<b>\$ 50,796.65</b>

<b>Program 256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>					<b>FORM 1C</b>			
(01) Claimant: State Center Community College District			(02)		Fiscal Year 2007-2008				
<b>Direct Costs</b>			<b>Object Accounts</b>						
			(a)	(b)	(c)	(d)	(e)	(f)	
(03) Reimbursable Activities			Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total	
<b>D. Accounting System</b>			<b>Reimbursement begins January 1, 2000</b>						
1. Develop, Implement & Maintain System			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>E. Annual Report of Progress</b>			<b>Reimbursement begins January 1, 2000</b>						
Calculations of Annual Disposal Reduction			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2. Information on the Changes			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3. Summary of Progress Made in IWM Plan			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4. The Extent of CCD's Use of IWM Plan			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5. Time Extension Summary of Progress			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
6. Alternative Reduction Summary of Progress			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>F. Annual Recycled Material Reports</b>			<b>Reimbursement begins July 1, 1999</b>						
1. Annual Report to the Board			\$ 2,470.00	\$ -	\$ -	\$ -	\$ -	\$ 2,470.00	
<b>(04) Total Direct Costs</b>			<b>\$ 2,470.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,470.00</b>	
<b>Indirect Costs</b>									
(05) Indirect Cost Rate			[Federally Approved OMB A-21, FAM-29C, or 7%]					36.50%	
(06) Total Indirect Costs			[Line (04)(a) x line (05)]					\$ 901.55	
<b>(07) Total Direct and Indirect Costs</b>			[Line (04)(f) + line (06)]		[Forward total to Form-1A, line (08)]			<b>\$ 3,371.55</b>	

12/08

Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>2A</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2007-2008
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>A. One-Time Activity</b> <input type="checkbox"/> Develop Policies and Procedures <input type="checkbox"/> Train District Staff on IWM Plan	<b>B. Ongoing Activities</b> <input type="checkbox"/> Complete and Submit IWM Plan to Board <input type="checkbox"/> Respond to Board Requirements <input type="checkbox"/> Consult with Board to Revise Plan <input type="checkbox"/> Designate Coordinator for Each College <input checked="" type="checkbox"/> Divert Solid Waste/Maintain Required Level
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(04) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Diverting solid waste from landfill disposal or transformation facilities - recycling Polanco, Henry                      Custodian	\$37.51	720.0	\$ 27,007.20				
Diverting solid waste from landfill disposal or transformation facilities - source reduction Polanco, Henry                      Custodian	\$37.51	240.0	\$ 9,002.40				

(05) Total <input checked="" type="checkbox"/>	Subtotal <input type="checkbox"/>	Page 1 of 1	\$ 36,009.60	\$ -	\$ -	\$ -	\$ -
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New 12/04

Program <b>256</b>	<b>MANDATED COSTS                  INTEGRATED WASTE MANAGEMENT                  ACTIVITY COST DETAIL</b>	<b>FORM                  2C</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2007-2008
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>D. Accounting System</b> <input type="checkbox"/> Develop, Implement & Maintain System <b>F. Annual Recycled Materials Reports</b> <input checked="" type="checkbox"/> Annual Report to the Board	<b>E. Annual Report of Progress</b> <input type="checkbox"/> Calculations of Annual Disposal Reduction <input type="checkbox"/> Information on the Changes <input type="checkbox"/> Summary of Progress Made in IWM Plan <input type="checkbox"/> The Extent of CCD's Use of IWM Plan <input type="checkbox"/> Time Extension Summary of Progress <input type="checkbox"/> Alternative Reduction Summary of Progress
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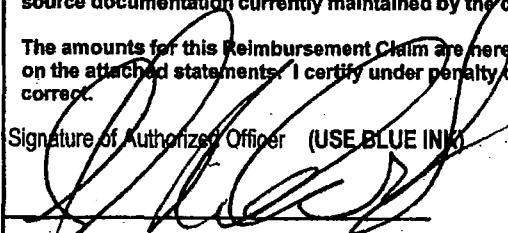
(04) Description of Expenses Object Accounts

(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Reporting annually to the Board quantities of recyclable materials collected Bravo, Juan                      Manager, Building Services	\$61.75	40.0	\$ 2,470.00				

(05) Total	<input checked="" type="checkbox"/>	Subtotal	<input type="checkbox"/>	Page 1 of 1	\$ 2,470.00	\$ -	\$ -	\$ -	\$ -
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**FY 2008-09**  
**Integrated Waste Management Claim**



CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 INTEGRATED WASTE MANAGEMENT		For State Controller Use only	
		(19) Program Number 00256	Program 256
(01) Claimant Identification Number: CC 10225		(20) Date Filed: DEC 14 2009	(21) LRS Input: / /
(02) Claimant Name: State Center Community College District		Reimbursement Claim Data	
Address: Fresno County		(22) FORM-1A, (04)(f)	38,230
1525 East Weldon Avenue		(23) FORM-1A, (05)	37
Fresno CA 93704-6398		(24) FORM-1A, (08)	53,930
Type of Claim	Estimated Claim	Reimbursement Claim	(26) FORM-1A, (10)
(03) Estimated <input type="checkbox"/>	(04) Combined <input type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(27)
(05) Amended <input type="checkbox"/>		(10) Combined <input type="checkbox"/>	(28)
		(11) Amended <input type="checkbox"/>	(29)
Fiscal Year of cost	(06)	(12) 2008-2009	(30)
Total Claimed Amount	(07)	(13) \$ 52,760	(31)
Less: 10% Late Penalty (refer to claiming instructions)		(14) \$	(32)
Less: Prior Claim Payment Received		(15) \$	(33)
Net Claimed Amount		(16) \$ 52,760	(34)
Due from State	(08)	(17) \$ 52,760	(35)
Due to State		(18)	(36)
<b>(37) CERTIFICATION OF CLAIM</b>			
<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 mandated cost 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 to 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 this 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 (USE BLUE INK)		Date	
		12/7/09	
Douglas R. Brinkley		Vice Chancellor, Finance & Administration	
Type or Print Name		Title	
(38) Name of Contact Person for Claim		Telephone Number: (858) 514-8605	
SixTen and Associates		E-mail Address: kbpsixten@aol.com	

<b>Program</b> <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>CLAIM SUMMARY</b>	<b>FORM</b> <b>1A</b>
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(01) Claimant: State Center Community College District	(02)	Fiscal Year 2008-2009
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Direct Costs	Object Accounts					
(03) Reimbursable Activities	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
<b>A. One-Time Activity</b>						
1. Develop Policies and Procedures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Train District Staff on IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>B. Ongoing Activities</b>						
1. Complete and Submit IWM Plan to Board	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Respond to Board Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Consult with Board to Revise Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Designate Coordinator for Each College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Divert Solid Waste/Maintain Required Level	\$ 38,230.00	\$ -	\$ -	\$ -	\$ -	\$ 38,230.00
<b>(04) Total Direct Costs</b>	<b>\$ 38,230.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 38,230.00</b>

<b>Indirect Costs</b>		
(05) Indirect Cost Rate	[Refer to Claiming Instructions]	36.50%
(06) Total Indirect Costs	[Refer to Claiming Instructions]	\$ 13,953.95
(07) Total Direct and Indirect Costs	[Line (04)(f) + line (07)]	\$ 52,183.95
(08) Total from Forms 1A, 1B, and 1C	[Add 1A(07) + 1B(07) + 1C(07)]	\$ 53,929.51

<b>Cost Reduction</b>		
(09) Less: Offsetting Savings		\$ -
(10) Less: Other Reimbursements		\$ 1,170.00
<b>(11) Total Claimed Amount:</b>	[Line (07) - (Line (08) + Line (09))]	<b>\$ 52,759.51</b>

<b>Program</b> <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>CLAIM SUMMARY</b>	<b>FORM</b> <b>1C</b>
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(01) Claimant: State Center Community College District	(02)	Fiscal Year 2008-2009
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Direct Costs	Object Accounts					
(03) Reimbursable Activities	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
<b>D. Accounting System</b>	<b>Reimbursement begins January 1, 2000</b>					
1. Develop, Implement & Maintain System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>E. Annual Report of Progress</b>	<b>Reimbursement begins January 1, 2000</b>					
1. Calculations of Annual Disposal Reduction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Information on the Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Summary of Progress Made in IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. The Extent of CCD's Use of IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Time Extension Summary of Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Alternative Reduction Summary of Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>F. Annual Recycled Material Reports</b>	<b>Reimbursement begins July 1, 1999</b>					
1. Annual Report to the Board	\$ 1,278.80	\$ -	\$ -	\$ -	\$ -	\$ 1,278.80
(04) Total Direct Costs	\$ 1,278.80	\$ -	\$ -	\$ -	\$ -	\$ 1,278.80

<b>Indirect Costs</b>		
(05) Indirect Cost Rate	[Refer to Claiming Instructions]	36.50%
(06) Total Indirect Costs	[Refer to Claiming Instructions]	\$ 466.76
(07) Total Direct and Indirect Costs	[Line (04)(f) + line (06)] [Forward total to Form-1A, line (08)]	\$ 1,745.56

New 12/08

Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>2A</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2008-2009
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>A. One-Time Activity</b> <input type="checkbox"/> Develop Policies and Procedures <input type="checkbox"/> Train District Staff on IWM Plan	<b>B. Ongoing Activities</b> <input type="checkbox"/> Complete and Submit IWM Plan to Board <input type="checkbox"/> Respond to Board Requirements <input type="checkbox"/> Consult with Board to Revise Plan <input type="checkbox"/> Designate Coordinator for Each College <input checked="" type="checkbox"/> Divert Solid Waste/Maintain Required Level
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(04) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Diverting solid waste from landfill disposal or transformation facilities - recycling Polanco, Henry                      Custodian	\$38.23	760.0	\$ 29,054.60				
Diverting solid waste from landfill disposal or transformation facilities - source reduction Polanco, Henry                      Custodian	\$38.23	240.0	\$ 9,175.20				

(05) Total <input checked="" type="checkbox"/>	Subtotal <input type="checkbox"/>	Page 1 of 1	\$ 38,230.00	\$ -	\$ -	\$ -	\$ -
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Revised 01/06

Program <b>256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT ACTIVITY COST DETAIL</b>	<b>FORM 2C</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year <b>2008-2009</b>
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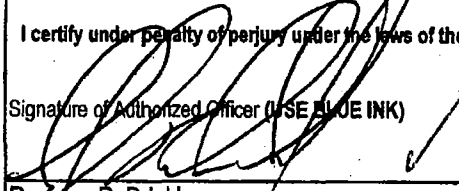
(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<p><b>D. Accounting System</b></p> <p><input type="checkbox"/> Develop, Implement &amp; Maintain System</p> <p><b>F. Annual Recycled Materials Reports</b></p> <p><input checked="" type="checkbox"/> Annual Report to the Board</p>	<p><b>E. Annual Report of Progress</b></p> <p><input type="checkbox"/> Calculations of Annual Disposal Reduction</p> <p><input type="checkbox"/> Information on the Changes</p> <p><input type="checkbox"/> Summary of Progress Made in IWM Plan</p> <p><input type="checkbox"/> The Extent of CCD's Use of IWM Plan</p> <p><input type="checkbox"/> Time Extension Summary of Progress</p> <p><input type="checkbox"/> Alternative Reduction Summary of Progress</p>
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(04) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Reporting annually to the Board quantities of recyclable materials collected Bravo, Juan                      Building Services Manager	\$63.94	20.0	\$ 1,278.80				
<p>(05) Total    <input checked="" type="checkbox"/>                      Subtotal    <input type="checkbox"/></p>			Page 1 of 1	\$ 1,278.80	\$ -	\$ -	\$ -

Revised 01/08

**FY 2009-10**  
**Integrated Waste Management Claim**

<b>CLAIM FOR PAYMENT</b> Pursuant to Government Code Section 17561 <b>INTEGRATED WASTE MANAGEMENT</b>		For State Controller Use only		<b>Program</b> <span style="font-size: 2em;">256</span>
		(19) Program Number 00256		
		(20) Date Filed <b>DEC 13 2010</b>		
		(21) LRS Input <u>   </u> / <u>   </u> / <u>   </u>		
(01) Claimant Identification Number: <b>CC 10225</b>		<b>Reimbursement Claim Data</b>		
(02) Claimant Name: <b>State Center Community College District</b>		(22) FORM-1, (03)		
Address: <b>Fresno County</b>		(23) FORM-1A, (04)(A)(1)(f)		
<b>1525 East Weldon Avenue</b>		(24) FORM-1A, (04)(A)(2)(f)		
<b>Fresno CA 93704-6398</b>		(25) FORM-1A, (04)(B)(1)(f)		
		(26) FORM-1A, (04)(B)(2)(f)		
		(27) FORM-1A, (04)(B)(3)(f)		
		(28) FORM-1A, (04)(B)(4)(f)		414
		(29) FORM-1A, (04)(B)(5)(f)		38,980
(06) Fiscal Year of cost: <b>2009-2010</b>		(30) FORM-1A, (06)		<b>32-12,512</b>
(07) Total Claimed Amount: <b>\$ 51,778</b>		(31) FORM-1A, (09) <b>6</b>		<del>12,512</del> <b>12,512</b>
Less: 10% Late Penalty (refer to claiming instructions)		(32) FORM-1A, (10) <b>4</b>		846
Less: Prior Claim Payment Received		(33) FORM-1A, (11) <b>10</b>		<b>846</b> <del>11,770</del> <b>846</b>
<b>Net Claimed Amount</b> \$ <b>DK 51,778</b>		(34)		
(08) Due from State: <b>\$ 51,778</b>		(35)		
Due to State		(36)		
<b>(37) CERTIFICATION OF CLAIM</b>				
In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost 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 Article 4, Chapter 1 of Division 4 of Title 1 Government Code.				
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, claimed costs are for a new program or increased level of services of an existing program; and claimed amounts do not include charter school costs, either directly or through a third party. 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 amount for this reimbursement is hereby claimed from the State for payment of 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 (USE BLUE INK) 		Date Signed: <b>11/19/10</b>		
Douglas R. Brinkley, Vice Chancellor, Finance & Administration		Telephone Number: <b>(559) 244-5910</b>		
Type or Print Name and Title of Authorized Signatory		E-mail Address: <b>doug.brinkley@scccd.edu</b>		
(38) Name of Agency Contact Person for Claim Douglas R. Brinkley, Vice Chancellor, Finance & Administration		Telephone Number: <b>(559) 244-5910</b>		
Name of Consulting Firm/Claim Preparer <b>SixTen and Associates</b>		E-mail Address: <b>doug.brinkley@scccd.edu</b>		
		Telephone Number: <b>(858) 514-8605</b>		
		E-mail Address: <b>kbpsixten@aol.com</b>		

<b>Program 256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY</b>	<b>FORM 1A</b>				
(01) Claimant: State Center Community College District		(02) Fiscal Year 2009-2010				
<b>Claim Statistics</b>						
(03) Leave Blank						
<b>Direct Costs</b>	<b>Object Accounts</b>					
	(a)	(b)	(c)	(d)	(e)	(f)
	Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total
(04) Reimbursable Activities						
<b>A. One-Time Activity</b>						
1. Develop Policies and Procedures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Train District Staff on IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>B. Ongoing Activities</b>						
1. Complete and Submit IWM Plan to Board	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Respond to Board Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Consult with Board to Revise Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Designate Coordinator for Each College	\$ 414.05	\$ -	\$ -	\$ -	\$ -	\$ 414.05
5. Divert Solid Waste/Maintain Required Level <small>(Form 1B cannot be used if this activity is claimed)</small>	\$ 38,980.30	\$ -	\$ -	\$ -	\$ -	\$ 38,980.30
(04) Total Direct Costs	\$ 39,394.35	\$ -	\$ -	\$ -	\$ -	\$ 39,394.35
<b>Indirect Costs</b>						
(05) Indirect Cost Rate	[Refer to Claiming Instructions]					31.76%
(06) Total Indirect Costs	[Refer to Claiming Instructions]					\$ 12,511.65
(07) Total Direct and Indirect Costs	[Line (05)(f) + line (07)]					\$ 51,906.00
(08) Total from Forms 1A, 1B, and 1C	[Add 1A(07) + 1B(07) + 1C(07)]					\$ 52,623.76
<b>Cost Reduction</b>						
(09) Less: Offsetting Savings	?					\$ -
(10) Less: Other Reimbursements						\$ 846.00
(11) Total Claimed Amount:	[Line (09) - (Line (10) + Line (11))]					\$ 51,777.76

Revised 07/09



Program <b>256</b>	MANDATED COSTS INTEGRATED WASTE MANAGEMENT CLAIM SUMMARY					FORM 1C	
(01) Claimant: State Center Community College District			(02)		Fiscal Year 2009-2010		
<b>Direct Costs</b>		<b>Object Accounts</b>					
(03) Reimbursable Activities		(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
<b>D. Accounting System</b>		Reimbursement begins January 1, 2000					
1. Develop, Implement & Maintain System		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>E. Annual Report of Progress</b>		Reimbursement begins January 1, 2000					
1. Calculations of Annual Disposal Reduction		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Information on the Changes		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Summary of Progress Made in IWM Plan		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. The Extent of CCD's Use of IWM Plan		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Time Extension Summary of Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Alternative Reduction Summary of Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>F. Annual Recycled Material Reports</b>		Reimbursement begins July 1, 1999					
1. Annual Report to the Board		\$ 544.75	\$ -	\$ -	\$ -	\$ -	\$ 544.75
(04) Total Direct Costs		\$ 544.75	\$ -	\$ -	\$ -	\$ -	\$ 544.75
<b>Indirect Costs</b>							
(05) Indirect Cost Rate		[Refer to Claiming Instructions]				31.76%	
(06) Total Indirect Costs		[Refer to Claiming Instructions]				\$ 173.01	
(07) Total Direct and Indirect Costs		[Line (04)(f) + line (06)]		[Forward total to Form-1A, line (09)]		\$ 717.76	

New 12/08

Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	<b>FORM 2A</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2009-2010
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>A. One-Time Activity</b> <input type="checkbox"/> Develop Policies and Procedures <input type="checkbox"/> Train District Staff on IWM Plan	<b>B. Ongoing Activities</b> <input type="checkbox"/> Complete and Submit IWM Plan to Board <input type="checkbox"/> Respond to Board Requirements <input type="checkbox"/> Consult with Board to Revise Plan <input checked="" type="checkbox"/> Designate Coordinator for Each College <input type="checkbox"/> Divert Solid Waste/Maintain Required Level
--	---

(04) Description of Expenses			Object Accounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Designating one solid waste reduction and recycling coordinator for each college in district Burgess, Jim                      Manager, Building Services	✓ \$59.15	7.0	\$ 414.05				

(05) Total <input checked="" type="checkbox"/>	Subtotal <input type="checkbox"/>	Page 1 of 1	\$ 414.05	\$ -	\$ -	\$ -	\$ -
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Program <b>256</b>	<b>MANDATED COSTS</b> <b>INTEGRATED WASTE MANAGEMENT</b> <b>ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>2A</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year 2009-2010
--	-------------------------------

(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

<b>A. One-Time Activity</b> <input type="checkbox"/> Develop Policies and Procedures <input type="checkbox"/> Train District Staff on IWM Plan	<b>B. Ongoing Activities</b> <input type="checkbox"/> Complete and Submit IWM Plan to Board <input type="checkbox"/> Respond to Board Requirements <input type="checkbox"/> Consult with Board to Revise Plan <input type="checkbox"/> Designate Coordinator for Each College <input checked="" type="checkbox"/> Divert Solid Waste/Maintain Required Level
--	---

(04) Description of Expenses	Object Accounts						
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Diverting solid waste from landfill disposal or transformation facilities - recycling							
Burgess, Jim      Manager, Building Services	\$59.15	1.0	\$ 59.15				
Polanco, Henry      Custodian	\$38.10	780.0	\$ 29,718.00				
Diverting solid waste from landfill disposal or transformation facilities - source reduction							
Polanco, Henry      Custodian	\$38.10	240.0	\$ 9,144.00				
Procuring materials/equipment necessary for maintaining approved level of reduction							
Burgess, Jim      Manager, Building Services	\$59.15	1.0	\$ 59.15				

(05) Total	<input checked="" type="checkbox"/>	Subtotal	<input type="checkbox"/>	Page 1 of 1	\$ 38,980.30	\$ -	\$ -	\$ -	\$ -
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Program <b>256</b>	<b>MANDATED COSTS INTEGRATED WASTE MANAGEMENT ACTIVITY COST DETAIL</b>	<b>FORM 2C</b>
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(01) Claimant State Center Community College District	(02) Fiscal Year <b>2009-2010</b>
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(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

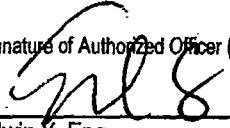
<p><b>D. Accounting System</b></p> <p><input type="checkbox"/> Develop, Implement &amp; Maintain System</p> <p><b>F. Annual Recycled Materials Reports</b></p> <p><input checked="" type="checkbox"/> Annual Report to the Board ✓</p>	<p><b>E. Annual Report of Progress</b></p> <p><input type="checkbox"/> Calculations of Annual Disposal Reduction</p> <p><input type="checkbox"/> Information on the Changes</p> <p><input type="checkbox"/> Summary of Progress Made in IWM Plan</p> <p><input type="checkbox"/> The Extent of CCD's Use of IWM Plan</p> <p><input type="checkbox"/> Time Extension Summary of Progress</p> <p><input type="checkbox"/> Alternative Reduction Summary of Progress</p>
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(04) Description of Expenses	Object Accounts						
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
Reporting annually to the Board quantities of recyclable materials collected							
Bravo, Juan      Manager, Building Services	\$61.63	5.0	\$ 308.15				
Burgess, Jim      Manager, Building Services	\$59.15	4.0	\$ 236.60				

(05) Total <input checked="" type="checkbox"/>	Subtotal <input type="checkbox"/>	Page 1 of 1	\$ 544.75	\$ -	\$ -	\$ -	\$ -
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FY 2010-11  
Integrated Waste Management Claim

7/1/10 - 10/7/10

<b>INTEGRATED WASTE MANAGEMENT CLAIM FOR PAYMENT</b>		For State Controller Use only		<b>Program 256</b>
		(19) Program Number 00256		
		(20) Date Filed <u>2/7/10</u> (21) LRS Input <u>2/7/10</u>		
(01) Claimant Identification Number: <u>CC 10225</u>		<b>Reimbursement Claim Data</b>		
(02) Claimant Name <u>State Center Community College District</u>		(22) FORM-1, (03)		
Address <u>Fresno County</u>		(23) FORM-1A, (04) A. 1. (f)		
<u>1525 East Weldon Avenue</u>		(24) FORM-1A, (04) A. 2. (f)		
<u>Fresno CA 93704-6398</u>		(25) FORM-1A, (04) B. 1. (f)		
(03) (04) (05)	<b>Type of Claim</b>		(26) FORM-1A, (04) B. 2. (f)	
	(09) Reimbursement <input checked="" type="checkbox"/>		(27) FORM-1A, (04) B. 3. (f)	
	(10) Combined <input type="checkbox"/>		(28) FORM-1A, (04) B. 4. (f)	
(11) Amended <input type="checkbox"/>		(29) FORM-1A, (04) B. 5. (f)		10,904
(06) Fiscal Year of Cost <u>7/1/10-10/7/10</u>		(12)		32
(07) Total Claimed Amount <u>\$ 14,244</u>		(13)		14,754
(14) Less: 10% Late Penalty (refer to claiming instructions) <u>\$ .</u>		(31) FORM-1A, (09)		
(15) Less: Prior Claim Payment Received <u>\$ .</u>		(32) FORM-1A, (10)		
(16) Net Claimed Amount <u>\$ 14,244</u>		(33) FORM-1A, (11)		510
(17) Due from State <u>\$ 14,244</u>		(34)		
(18) Due to State <u>\$ .</u>		(35)		
<b>(37) CERTIFICATION OF CLAIM</b>				
<p>In accordance with the provisions of Government Code Sections 17560 and 17561, I certify that I am the officer authorized by the community college district to file mandated cost 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 Article 4, Chapter 1 of Division 4 of Title 1 of the Government Code.</p> <p>I further certify that there was no application other than from the claimant, nor any grant(s) or payment(s) received for reimbursement of costs claimed herein and claimed costs are for a new program or increased level of services of an existing program. All offsetting revenues 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 amount for this reimbursement is hereby claimed from the State for payment of actual costs set forth on the attached statements.</p> <p>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 (USE BLUE INK) 		Date Signed <u>1/23/12</u>		
Edwin Y. Eng, Vice Chancellor, Finance & Administration		Telephone Number <u>(559) 244-5910</u>		
Type or Print Name and Title of Authorized Signatory		E-mail Address <u>edwin.eng@scccd.edu</u>		
(38) Name of Agency Contact Person for Claim Edwin Y. Eng, Vice Chancellor, Finance & Administration		Telephone Number <u>(559) 244-5910</u>		
Name of Consulting Firm/Claim Preparer SixTen and Associates		E-mail Address <u>edwin.eng@scccd.edu</u>		
		Telephone Number <u>(858) 514-8605</u>		
		E-mail Address <u>kbpsixten@aol.com</u>		

*R. OK  
1/23/12*

<b>Program</b> <b>256</b>	<b>INTEGRATED WASTE MANAGEMENT</b> <b>CLAIM SUMMARY</b>	<b>FORM</b> <b>1A</b>
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(01) Claimant: State Center Community College District	(02)	Fiscal Year 7/1/10-10/7/10
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**Claim Statistics**

(03) Leave Blank

Direct Costs	Object Accounts					
	(a)	(b)	(c)	(d)	(e)	(f)
(04) Reimbursable Activities	Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total
<b>A. One-Time Activity</b>						
1. Develop Policies and Procedures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Train District Staff on IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>B. Ongoing Activities</b>						
1. Complete and Submit IWM Plan to Board	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Respond to Board Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Consult with Board to Revise Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Designate Coordinator for Each College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Divert Solid Waste/Maintain Required Level <small>(Form 1B cannot be used if this activity is claimed)</small>	\$ 10,904.37	\$ -	\$ -	\$ -	\$ -	\$ 10,904.37
<b>(05) Total Direct Costs</b>	<b>\$ 10,904.37</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,904.37</b>

**Indirect Costs**

(06) Indirect Cost Rate	<input type="checkbox"/> Federally approved rate OMB Circular A-21	<input checked="" type="checkbox"/> FAM-29C	<input type="checkbox"/> Flat 7%	31.54%
(07) Total Indirect Costs	[Refer to Claiming Instructions]			\$ 3,439.24
(08) Total Direct and Indirect Costs	[Line (05)(f) + line (07)]			\$ 14,343.61
(09) Total from Forms 1A, 1B, and 1C	[Add 1A(07) + 1B(07) + 1C(07)]			\$ 14,754.01

**Cost Reduction**

(10) Less: Offsetting Revenues	\$ -
(11) Less: Other Reimbursements	\$ 510.10
<b>(12) Total Claimed Amount:</b>	<b>\$ 14,243.91</b>

<b>Program</b> <b>256</b>	<b>INTEGRATED WASTE MANAGEMENT</b> <b>CLAIM SUMMARY</b>	<b>FORM</b> <b>1C</b>
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(01) Claimant: State Center Community College District	(02)	Fiscal Year 7/1/10-10/7/10
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Direct Costs	Object Accounts					
(03) Reimbursable Activities	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
<b>D. Accounting System</b>	<b>Reimbursement begins January 1, 2000</b>					
1. Develop, Implement & Maintain System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>E. Annual Report of Progress</b>	<b>Reimbursement begins January 1, 2000</b>					
1. Calculations of Annual Disposal Reduction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Information on the Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Summary of Progress Made in IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. The Extent of CCD's Use of IWM Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Time Extension Summary of Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Alternative Reduction Summary of Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>F. Annual Recycled Material Reports</b>	<b>Reimbursement begins July 1, 1999</b>					
1. Annual Report to the Board	\$ 312.00	\$ -	\$ -	\$ -	\$ -	\$ 312.00
(04) Total Direct Costs	\$ 312.00	\$ -	\$ -	\$ -	\$ -	\$ 312.00

<b>Indirect Costs</b>						
(05) Indirect Cost Rate	<input type="checkbox"/>	Federally approved rate OMB Circular A-21	<input checked="" type="checkbox"/>	FAM-29C	<input type="checkbox"/>	Flat 7%
						31.54%
(06) Total Indirect Costs	[Refer to Claiming Instructions]					\$ 98.40
(07) Total Direct and Indirect Costs	[Line (04)(f) + line (06)]		[Forward total to Form-1A, line (09)]			\$ 410.40

Revised 09/11







JOHN CHIANG  
California State Controller  
Division of Accounting and Reporting  
SEPTEMBER 6, 2013

CC10225  
00256  
2013/09/06

BOARD OF TRUSTEES  
STATE CENTER COMM COLL DIST  
FRESNO COUNTY  
1525 E WELDON  
FRESNO CA 93704

DEAR CLAIMANT:

RE: INTEGRATED WASTE MGT:1116/92-C

WE HAVE REVIEWED YOUR 1999/2000 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED 36,517.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 10,535.00

TOTAL ADJUSTMENTS - 10,535.00

AMOUNT DUE CLAIMANT \$ 25,982.00

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT DENNIS SPECIALE AT (916) 324-0254 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. DUE TO INSUFFICIENT APPROPRIATION, THE BALANCE DUE WILL BE FORTHCOMING WHEN ADDITIONAL FUNDS ARE MADE AVAILABLE.

SINCERELY,

JAY LAL, MANAGER



JOHN CHIANG  
California State Controller  
Division of Accounting and Reporting  
SEPTEMBER 6, 2013

CC10225  
00256  
2013/09/06

BOARD OF TRUSTEES  
STATE CENTER COMM COLL DIST  
FRESNO COUNTY  
1525 E WELDON  
FRESNO CA 93704

DEAR CLAIMANT:

RE: INTEGRATED WASTE MGT:1116/92-C

WE HAVE REVIEWED YOUR 2000/2001 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED 32,449.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 20,642.00

TOTAL ADJUSTMENTS - 20,642.00

AMOUNT DUE CLAIMANT \$ 11,807.00

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT DENNIS SPECIALE AT (916) 324-0254 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. DUE TO INSUFFICIENT APPROPRIATION, THE BALANCE DUE WILL BE FORTHCOMING WHEN ADDITIONAL FUNDS ARE MADE AVAILABLE.

SINCERELY,

JAY LAL, MANAGER



JOHN CHIANG  
California State Controller  
Division of Accounting and Reporting  
SEPTEMBER 6, 2013

CC10225  
00256  
2013/09/06

BOARD OF TRUSTEES  
STATE CENTER COMM COLL DIST  
FRESNO COUNTY  
1525 E WELDON  
FRESNO CA 93704

DEAR CLAIMANT:

RE: INTEGRATED WASTE MGT:1116/92-C

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 43,122.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 29,569.00

TOTAL ADJUSTMENTS - 29,569.00

AMOUNT DUE CLAIMANT \$ 13,553.00

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT DENNIS SPECIALE AT (916) 324-0254 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. DUE TO INSUFFICIENT APPROPRIATION, THE BALANCE DUE WILL BE FORTHCOMING WHEN ADDITIONAL FUNDS ARE MADE AVAILABLE.

SINCERELY,

JAY LAL, MANAGER

LOCAL REIMBURSEMENT SECTION  
P.O. BOX 942850 SACRAMENTO, CA 94250-5875



JOHN CHIANG

CC10225  
00256  
2013/09/06

California State Controller  
Division of Accounting and Reporting  
SEPTEMBER 6, 2013

BOARD OF TRUSTEES  
STATE CENTER COMM COLL DIST  
FRESNO COUNTY  
1525 E WELDON  
FRESNO CA 93704

DEAR CLAIMANT:

RE: INTEGRATED WASTE MGT:1116/92-C

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

AMOUNT CLAIMED 43,524.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 31,734.00

TOTAL ADJUSTMENTS - 31,734.00

AMOUNT DUE CLAIMANT \$ 11,790.00

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT DENNIS SPECIALE AT (916) 324-0254 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. DUE TO INSUFFICIENT APPROPRIATION, THE BALANCE DUE WILL BE FORTHCOMING WHEN ADDITIONAL FUNDS ARE MADE AVAILABLE.

SINCERELY,

JAY LAL, MANAGER



**JOHN CHIANG**  
California State Controller  
Division of Accounting and Reporting  
SEPTEMBER 6, 2013

CC10225  
00256  
2013/09/06

BOARD OF TRUSTEES  
STATE CENTER COMM COLL DIST  
FRESNO COUNTY  
1525 E WELDON  
FRESNO CA 93704

DEAR CLAIMANT:

RE: INTEGRATED WASTE MGT:1116/92-C

WE HAVE REVIEWED YOUR 2005/2006 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED		60,877.00
ADJUSTMENT TO CLAIM:		
FIELD AUDIT FINDINGS	-	34,278.00
TOTAL ADJUSTMENTS	-	<u>34,278.00</u>
AMOUNT DUE CLAIMANT		<u>\$ 26,599.00</u>

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT DENNIS SPECIALE AT (916) 324-0254 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. DUE TO INSUFFICIENT APPROPRIATION, THE BALANCE DUE WILL BE FORTHCOMING WHEN ADDITIONAL FUNDS ARE MADE AVAILABLE.

SINCERELY,

JAY LAL, MANAGER

LOCAL REIMBURSEMENT SECTION  
P.O. BOX 942850 SACRAMENTO 94250-5875



JOHN CHIANG  
California State Controller  
Division of Accounting and Reporting  
SEPTEMBER 6, 2013

CC10225  
00256  
2013/09/06

BOARD OF TRUSTEES  
STATE CENTER COMM COLL DIST  
FRESNO COUNTY  
1525 E WELDON  
FRESNO CA 93704

DEAR CLAIMANT:

RE: INTEGRATED WASTE MGT;1116/92-C

WE HAVE REVIEWED YOUR 2006/2007 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED 50,451.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 37,027.00

TOTAL ADJUSTMENTS - 37,027.00

AMOUNT DUE CLAIMANT \$ 13,424.00

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT DENNIS SPECIALE AT (916) 324-0254 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. DUE TO INSUFFICIENT APPROPRIATION, THE BALANCE DUE WILL BE FORTHCOMING WHEN ADDITIONAL FUNDS ARE MADE AVAILABLE.

SINCERELY,

JAY LAL, MANAGER

LOCAL REIMBURSEMENT SECTION  
P.O. BOX 942850 SACRAMENTO, CA 94250-5875  
274



JOHN CHIANG  
California State Controller  
Division of Accounting and Reporting  
SEPTEMBER 6, 2013

CC10225  
00256  
2013/09/06

BOARD OF TRUSTEES  
STATE CENTER COMM COLL DIST  
FRESNO COUNTY  
1525 E WELDON  
FRESNO CA 93704

DEAR CLAIMANT:

RE: INTEGRATED WASTE MGT:1116/92-C

WE HAVE REVIEWED YOUR 2007/2008 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED 50,797.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 38,110.00

TOTAL ADJUSTMENTS - 38,110.00

AMOUNT DUE CLAIMANT \$ 12,687.00

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT DENNIS SPECIALE AT (916) 324-0254 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. DUE TO INSUFFICIENT APPROPRIATION, THE BALANCE DUE WILL BE FORTHCOMING WHEN ADDITIONAL FUNDS ARE MADE AVAILABLE.

SINCERELY,

JAY LAL, MANAGER

LOCAL REIMBURSEMENT SECTION  
P.O. BOX 942850 SACRAMENTO, CA 94250-5875





JOHN CHIANG  
California State Controller  
Division of Accounting and Reporting  
SEPTEMBER 6, 2013

CC10225  
00256  
2013/09/06

BOARD OF TRUSTEES  
STATE CENTER COMM COLL DIST  
FRESNO COUNTY  
1525 E WELDON  
FRESNO CA 93704

DEAR CLAIMANT:

RE: INTEGRATED WASTE MGT:1116/92-C

WE HAVE REVIEWED YOUR 2008/2009 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED	52,760.00
ADJUSTMENT TO CLAIM:	
FIELD AUDIT FINDINGS	- 40,805.00
TOTAL ADJUSTMENTS	- 40,805.00
AMOUNT DUE CLAIMANT	\$ 11,955.00

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT DENNIS SPECIALE AT (916) 324-0254 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. DUE TO INSUFFICIENT APPROPRIATION, THE BALANCE DUE WILL BE FORTHCOMING WHEN ADDITIONAL FUNDS ARE MADE AVAILABLE.

SINCERELY,

JAY LAL, MANAGER



JOHN CHIANG  
California State Controller  
Division of Accounting and Reporting  
SEPTEMBER 6, 2013

CC10225  
00256  
2013/09/06

BOARD OF TRUSTEES  
STATE CENTER COMM COLL DIST  
FRESNO COUNTY  
1525 E WELDON  
FRESNO CA 93704

DEAR CLAIMANT:

RE: INTEGRATED WASTE MGT:1116/92-C

WE HAVE REVIEWED YOUR 2009/2010 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED 51,778.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 42,729.00

TOTAL ADJUSTMENTS - 42,729.00

AMOUNT DUE CLAIMANT \$ 9,049.00

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT DENNIS SPECIALE AT (916) 324-0254 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. DUE TO INSUFFICIENT APPROPRIATION, THE BALANCE DUE WILL BE FORTHCOMING WHEN ADDITIONAL FUNDS ARE MADE AVAILABLE.

SINCERELY,

JAY LAL, MANAGER

LOCAL REIMBURSEMENT SECTION  
P.O. BOX 942850 SACRAMENTO CA 94250-5875



JOHN CHIANG  
California State Controller  
Division of Accounting and Reporting  
SEPTEMBER 6, 2013

CC10225  
00256  
2013/09/06

BOARD OF TRUSTEES  
STATE CENTER COMM COLL DIST  
FRESNO COUNTY  
1525 E WELDON  
FRESNO CA 93704

DEAR CLAIMANT:

RE: INTEGRATED WASTE MGT:1116/92-C

WE HAVE REVIEWED YOUR 2010/2011 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED 14,244.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 10,779.00

TOTAL ADJUSTMENTS - 10,779.00

AMOUNT DUE CLAIMANT \$ 3,465.00

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT DENNIS SPECIALE AT (916) 324-0254 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. DUE TO INSUFFICIENT APPROPRIATION, THE BALANCE DUE WILL BE FORTHCOMING WHEN ADDITIONAL FUNDS ARE MADE AVAILABLE.

SINCERELY,

JAY LAL, MANAGER

LOCAL REIMBURSEMENT SECTION  
P.O. BOX 942850 SACRAMENTO, CA 94250-5875

RECEIVED

November 25, 2015

Commission on  
State Mandates

LATE FILING



**BETTY T. YEE**  
California State Controller

November 24, 2015

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

**Re: Incorrect Reduction Claim (IRC)**

*Integrated Waste Management*, 14-0007-I-05

Public Resources Code Sections 40418, 40196.3, and 42920-42928

Public Contract Code Sections 12167 and 12167.1

Statutes of 1992, Chapter 1116 (AB 3521); Statutes of 1999, Chapter 764 (AB 75)

Fiscal Years: 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006, 2006-2007,  
2007-2008, 2008-09, 2009-10, and 2010-2011

State Center Community College District, Claimant

Dear Ms. Halsey:

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jim L. Spano".

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

JLS/as

16644

**RESPONSE BY THE STATE CONTROLLER’S OFFICE  
TO THE INCORRECT REDUCTION CLAIM (IRC) BY  
STATE CENTER COMMUNITY COLLEGE DISTRICT**

**Integrated Waste Management Program**

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Exhibits relate to the district’s IRC filed on July 14, 2014:

- Exhibit A – PDF pages 25, 27, 31, and 36
- Exhibit B - PDF pages 41, 53, 58, 60, and 63
- Exhibit C – PDF pages 66, 87, and 88
- Exhibit D – PDF pages 209, 215, 220, 227, 234, 239, 246, 252, 258, and 265

# **Tab 1**

1 **OFFICE OF THE STATE CONTROLLER**

2 Division of Audits  
3 3301 C Street, Suite 725  
4 Sacramento, CA 95816  
5 Telephone No.: (916) 324-8907

6 **BEFORE THE**  
7 **COMMISSION ON STATE MANDATES**  
8 **STATE OF CALIFORNIA**

9 **INCORRECT REDUCTION CLAIM (IRC)**  
10 **ON:**

11 *Integrated Waste Management Program*

12 Public Resources Code Sections 40418,  
13 40196.3, 42920, 42921, 42922, 42923, 42924,  
14 42925, 42926, 42927, and 42928; Public  
15 Contract Code Sections 12167 and 12167.1

16 Statutes of 1992, Chapter 1116 (AB 3521);  
17 Statutes of 1999, Chapter 764 (AB 75)

18 **STATE CENTER COMMUNITY COLLEGE**  
19 **DISTRICT, Claimant**

No.: IRC 14-0007-I-05

**AFFIDAVIT OF BUREAU CHIEF**

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

- 21 1) I am an employee of the State Controller's Office (SCO) and am over the age of  
22 18 years.
- 23 2) I am currently employed as a bureau chief, and have been so since April 21, 2000.  
24 Before that, I was employed as an audit manager for two years and three months.
- 25 3) I am a California Certified Public Accountant.
- 4) I reviewed the work performed by the SCO auditor.
- 5) Any attached copies of records are true copies of records, as provided by State Center  
Community College District, CalRecycle, or retained at our place of business.

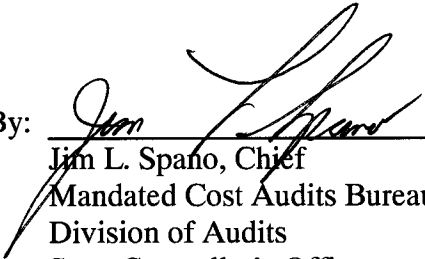
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- 6) The records include claims for reimbursement, and attached supporting documentation, explanatory letters, or other documents relating to the above-entitled IRC.
- 7) A review of the claims for fiscal year (FY) 1999-2000, FY 2000-01, FY 2003-04, FY 2004-05, FY 2005-06, FY 2006-07, FY 2007-08, FY 2008-09, FY 2009-10, and FY 2010-11 commenced on August 1, 2013, (initial contact date) and was completed on August 30, 2013 (issuance of review report).

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: November 24, 2015

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  
STATE CENTER COMMUNITY COLLEGE DISTRICT**

**For Fiscal Year (FY) 1999-2000, FY 2000-01, FY 2003-04, FY 2004-05,  
FY 2005-06, FY 2006-07, FY 2007-08, FY 2008-09, FY 2009-10, and FY 2010-11**

**Integrated Waste Management Program  
Public Resources Code Sections 40418, 40196.3, 42920, 42921, 42922, 42923, 42924, 42925,  
42926, 42927, and 42928; Public Contract Code Sections 12167 and 12167.1;  
Statutes of 1992, Chapter 1116 (AB 3521); Statutes of 1999, Chapter 764 (AB 75)**

**SUMMARY**

The following is the State Controller's Office's (SCO) response to the Incorrect Reduction Claim (IRC) that the State Center Community College District filed on July 14, 2014. The SCO reviewed the district's claims for costs of the legislatively mandated Integrated Waste Management (IWM) Program for the period of July 1, 1999, through June 30, 2001; and July 1, 2003, through June 30, 2011. The SCO issued its final report on August 30, 2013 [Exhibit A, page 25].

The district submitted reimbursement claims totaling \$436,519—\$36,517 for fiscal year (FY) 1999-2000 [Exhibit D, page 209], \$32,449 for FY 2000-01 [Exhibit D, page 215], \$43,122 for FY 2003-04 [Exhibit D, page 220], \$43,524 for FY 2004-05 [Exhibit D, page 227], \$60,877 for FY 2005-06 [Exhibit D, page 234], \$50,451 for FY 2006-07 [Exhibit D, page 239], \$50,797 for FY 2007-08 [Exhibit D, page 246], \$52,760 for FY 2008-09 [Exhibit D, page 252], \$51,778 for FY 2009-10 [Exhibit D, page 258], and \$14,244 for FY 2010-11 [Exhibit D, page 265]. Subsequently, the SCO reviewed these claims and found that \$140,311 is allowable and \$296,208 is unallowable [Exhibit A, page 25] because the district did not report any offsetting savings realized from implementation of its IWM plan.

The following table summarizes the review results:

Cost Elements	Actual Costs Claimed	Allowable per Review	Review Adjustment
<u>July 1, 1999, through June 30, 2000</u>			
Direct costs:			
Salaries and benefits	\$ 16,038	\$ 16,038	\$ -
Fixed assets	14,487	14,487	-
Contract services	323	323	-
Total direct costs	30,848	30,848	-
Indirect costs	6,136	6,136	-
Total direct and indirect costs	36,984	36,984	-
Less offsetting revenues and reimbursements	(467)	(467)	-
Less offsetting savings	-	(10,535)	(10,535)
Total program costs	<u>\$ 36,517</u>	25,982	<u>\$ (10,535)</u>
Less amount paid by the State <sup>1</sup>		(25,982)	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ -</u>	

Cost Elements	Actual Costs Claimed	Allowable per Review	Review Adjustment
<u>July 1, 2000, through June 30, 2001</u>			
Direct costs:			
Salaries and benefits	\$ 16,462	\$ 16,462	\$ -
Fixed assets	10,528	10,528	-
Total direct costs	26,990	26,990	-
Indirect costs	5,695	5,695	-
Total direct and indirect costs	32,685	32,685	-
Less offsetting revenues and reimbursements	(236)	(236)	-
Less offsetting savings	-	(20,642)	(20,642)
Total program costs	<u>\$ 32,449</u>	11,807	<u>\$ (20,642)</u>
Less amount paid by the State <sup>1</sup>		(11,807)	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ -</u>	
<u>July 1, 2003, through June 30, 2004</u>			
Direct costs:			
Salaries and benefits	\$ 33,081	\$ 33,081	\$ -
Indirect costs	10,364	10,364	-
Total direct and indirect costs	43,445	43,445	-
Less offsetting revenues and reimbursements	(323)	(323)	-
Less offsetting savings	-	(29,569)	(29,569)
Total program costs	<u>\$ 43,122</u>	13,553	<u>\$ (29,569)</u>
Less amount paid by the State		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 13,553</u>	
<u>July 1, 2004, through June 30, 2005</u>			
Direct costs:			
Salaries and benefits	\$ 32,326	\$ 32,326	\$ -
Indirect costs	11,800	11,800	-
Total direct and indirect costs	44,126	44,126	-
Less offsetting revenues and reimbursements	(602)	(602)	-
Less offsetting savings	-	(31,734)	(31,734)
Total program costs	<u>\$ 43,524</u>	11,790	<u>\$ (31,734)</u>
Less amount paid by the State		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 11,790</u>	

Cost Elements	Actual Costs Claimed	Allowable per Review	Review Adjustment
<u>July 1, 2005, through June 30, 2006</u>			
Direct costs:			
Salaries and benefits	\$ 44,873	\$ 44,873	\$ -
Indirect costs	16,379	16,379	-
Total direct and indirect costs	61,252	61,252	-
Less offsetting revenues and reimbursements	(375)	(375)	-
Less offsetting savings	-	(34,278)	(34,278)
Total program costs	<u>\$ 60,877</u>	26,599	<u>\$ (34,278)</u>
Less amount paid by the State		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 26,599</u>	
<u>July 1, 2006, through June 30, 2007</u>			
Direct costs:			
Salaries and benefits	\$ 37,480	\$ 37,480	\$ -
Indirect costs	13,681	13,681	-
Total direct and indirect costs	51,161	51,161	-
Less offsetting revenues and reimbursements	(710)	(710)	-
Less offsetting savings	-	(37,027)	(37,027)
Total program costs	<u>\$ 50,451</u>	13,424	<u>\$ (37,027)</u>
Less amount paid by the State		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 13,424</u>	
<u>July 1, 2007, through June 30, 2008</u>			
Direct costs:			
Salaries and benefits	\$ 38,480	\$ 38,480	\$ -
Indirect costs	14,045	14,045	-
Total direct and indirect costs	52,525	52,525	-
Less offsetting revenues and reimbursements	(1,728)	(1,728)	-
Less offsetting savings	-	(38,110)	(38,110)
Total program costs	<u>\$ 50,797</u>	12,687	<u>\$ (38,110)</u>
Less amount paid by the State		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 12,687</u>	

Cost Elements	Actual Costs Claimed	Allowable per Review	Review Adjustment
<u>July 1, 2008, through June 30, 2009</u>			
Direct costs:			
Salaries and benefits	\$ 39,509	\$ 39,509	\$ -
Indirect costs	14,421	14,421	-
Total direct and indirect costs	53,930	53,930	-
Less offsetting revenues and reimbursements	(1,170)	(1,170)	-
Less offsetting savings	-	(40,805)	(40,805)
Total program costs	<u>\$ 52,760</u>	11,955	<u>\$ (40,805)</u>
Less amount paid by the State		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 11,955</u>	
<u>July 1, 2009, through June 30, 2010</u>			
Direct costs:			
Salaries and benefits	\$ 39,939	\$ 39,939	\$ -
Indirect costs	12,685	12,685	-
Total direct and indirect costs	52,624	52,624	-
Less offsetting revenues and reimbursements	(846)	(846)	-
Less offsetting savings	-	(42,729)	(42,729)
Total program costs	<u>\$ 51,778</u>	9,049	<u>\$ (42,729)</u>
Less amount paid by the State		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 9,049</u>	
<u>July 1, 2010, through June 30, 2011</u>			
Direct costs:			
Salaries and benefits	\$ 11,216	\$ 11,216	\$ -
Indirect costs	3,538	3,538	-
Total direct and indirect costs	14,754	14,754	-
Less offsetting revenues and reimbursements	(510)	(510)	-
Less offsetting savings	-	(10,779)	(10,779)
Total program costs	<u>\$ 14,244</u>	3,465	<u>\$ (10,779)</u>
Less amount paid by the State		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 3,465</u>	

Cost Elements	Actual Costs Claimed	Allowable per Review	Review Adjustment
<u>Summary: July 1, 1999, through June 30, 2001; and July 1, 2003, through June 30, 2011</u>			
Direct costs:			
Salaries and benefits	\$ 309,404	\$ 309,404	\$ -
Fixed assets	25,015	25,015	-
Travel and training	323	323	-
Total direct costs	334,742	334,742	-
Indirect costs	108,744	108,744	-
Total direct and indirect costs	443,486	443,486	-
Less offsetting revenues and reimbursements	(6,967)	(6,967)	-
Less offsetting savings	-	(296,208)	(296,208)
Total program costs	<u>\$ 436,519</u>	140,311	<u>\$ (296,208)</u>
Less amount paid by the State <sup>1</sup>		(37,789)	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 102,522</u>	

<sup>1</sup> Payment information current as of November 13, 2015.

## I. INTEGRATED WASTE MANAGEMENT PROGRAM CRITERIA

### Parameters and Guidelines

On March 30, 2005, the Commission on State Mandates (Commission) adopted the parameters and guidelines for Chapter 764, Statutes of 1999; and Chapter 1116, Statutes of 1992 [Exhibit B, page 41]. The Commission amended the parameters and guidelines on September 26, 2008 [Exhibit B, page 53], as directed by the Superior Court of California, County of Sacramento, No. 07CS00355 [Tab 3].

Section VIII of the amended parameters and guidelines define offsetting cost savings as follows [Exhibit B, page 63]:

#### VII. OFFSETTING COST SAVINGS

Reduced or avoided costs realized from implementation of the community college districts' Integrated Waste Management plans shall be identified and offset from this claim as cost savings, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1. Pursuant to these statutes, community college districts are required to deposit cost savings resulting from their Integrated Waste Management plans in the Integrated Waste Management Account in the Integrated Waste Management Fund; the funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature, may be expended by the California Integrated Waste Management Board for the purpose of offsetting Integrated Waste Management plan costs. Subject to the approval of the California Integrated Waste Management Board, cost savings by a community college that do not exceed two thousand dollars (\$2,000) annually are continually appropriated for expenditure by the community college for the purpose of offsetting Integrated Waste Management program costs. Cost savings exceeding two thousand dollars (\$2,000) annually may be available for expenditure by the community college only when appropriated by the Legislature. To the extent so approved or appropriated and applied to the college, these amounts shall be identified and offset from the costs claimed for implementing the Integrated Waste Management Plan.

## SCO Claiming Instructions

The SCO annually issues mandated cost claiming instructions, which contain filing instructions for mandated cost programs [Exhibit C]. On June 6, 2005, the SCO issued the IWM claiming instructions [Exhibit C, page 66]. On December 1, 2008, the SCO amended the IWM claiming instructions to be consistent with the amended parameters and guidelines [Exhibit C, page 87]. The amended claiming instructions provided community college districts the ability to refile their FY 1999-2000 through FY 2007-08 claims to report the required offsetting savings.

## II. DISTRICT UNREPORTED OFFSETTING SAVINGS

### Issue

For the period of July 1, 1999, through June 30, 2001; and July 1, 2003, through June 30, 2011, the district did not report any offsetting savings on its mandated costs claims. We found that the district realized savings of \$296,208 from implementation of its IWM plan.

The district believes that it realized none of the cost savings, as required by the parameters and guidelines.

### SCO's Analysis:

The amended parameters and guidelines require community college districts to report reduced or avoided costs realized from implementation of the district's IWM plan, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1 [Exhibit B, page 63].

This issue of realized offsetting savings has already been decided by the Sacramento County Superior Court, which issued a Judgment and Writ of Mandate on June 30, 2008 [Tab 3]. The court ordered the Commission to amend the parameters and guidelines to require community college districts claiming reimbursable costs of an IWM plan to identify and offset from their claims (consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1) cost savings realized as a result of implementing their plans [Tab 3, page 2].

Public Contract Code section 12167 requires that revenues received from the IWM plan or any other activity involving the collection and sale of recyclable materials in State offices located in State-owned and State-leased buildings be deposited in the IWM Account in the IWM Fund. For the period of July 1, 1999, through June 30, 2001; and July 1, 2003, through June 30, 2011, the district did not remit to the State any savings realized from implementation of its IWM plan. However, the failure of the district to remit to the State the savings realized from implementation of its IWM plan does not preclude it from the requirement to do so.

Government Code section 17514 defines "costs mandated by the state" as any increased costs that either a local agency or school district is required to incur. In addition, Government Code section 17556, subdivision (e), states that reimbursement is precluded if the statute provides for offsetting savings that result in no net costs to the local agency. For purposes of section 6 of article XIII B of the California Constitution and the statutes implementing section 6, California Community Colleges are defined as school districts and treated as local governments. To the extent that State Center Community College District realized cost savings, it is not required to incur increased costs.

District's Response:

**A. OFFSETTING COST SAVINGS**

The District did not report offsetting cost savings because none were realized. The audit report states that the total claimed costs of \$436,519 should have been reduced by \$296,208 of cost savings calculated by multiplying the tonnage diverted by a statewide average landfill fee per ton. However, none of these alleged cost savings were realized by the District as required by the parameters and guidelines.

2. Assumed Cost Savings

The court presupposes a previous legal requirement for districts to incur landfill disposal fees to divert solid waste. Thus, potentially relieved of the need to incur new or additional landfill fees for increased waste diversion, a cost savings would occur. There is no finding of fact or law in the court decision or from the Commission Statement of Decision for the test claim for this assumed duty to use landfills. However, since the court stated that the cost savings from avoided landfill costs are only "likely," potential costs savings would be a finding of fact not law. There is no evidence in the court decision that these reduced or avoided landfill costs occurred at all or to any one district other than the bare assertion that such savings may have occurred. Thus, potential landfill cost savings would be a question of fact for each claiming district. However, the Controller's audit adjustment erroneously and simply assumes these cost savings occurred in the form of avoided landfill fees for the mandated tonnage diverted. The audit report merely states that the Controller has "determined that the district had reduced or avoided costs" apparently, and only, as a result of increased diversion of solid waste.

3. Realized Cost Savings

The parameters and guidelines language does not assume that the cost savings occurred, but instead requires that the cost savings be *realized*. The amended parameters and guidelines, relying upon the court decision, state that "(r)educed or avoided costs *realized* from implementation of the community college districts' Integrated Waste Management plans shall be identified and offset from this claim as cost savings..." To be realized, the court states that the following string of events must occur:

Thus, in accordance with section 12167, state agencies, along with California Community Colleges which are defined as state agencies for purpose of IWM plan requirements in Public Resources Code section 42920 et seq. (Pub. Resources Code §§ 40196, 40148), must deposit cost savings resulting from IWM plans in the Integrated Waste Management Account in the Integrated Waste Management Fund; the funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature, may be expended by the Integrated Waste Management Board for the purpose of offsetting IWM plan costs. In accordance with section 12167.1 and notwithstanding section 12167, cost savings from the IWM plans of the agencies and colleges that do not exceed \$2,000 annually are continuously appropriated for expenditure by the agencies and colleges for the purpose of offsetting IWM plan implementation and administration costs; cost savings resulting from IWM plan in excess of \$2,000 annually are available for such expenditure by the agencies and colleges when appropriated by the Legislature.

For the cost savings to be realized, the parameters and guidelines further require that "(t)o the extent so approved or appropriated and applied to the college, these amounts shall be identified and offset from the costs claimed for implementing the Integrated Waste Management Plan." Thus, a certain chain of events must occur: the cost savings must exist (avoided landfill costs); be converted to cash; amounts in excess of \$2,000 per year deposited in the state fund; and, these deposits by the districts appropriated by the Legislature to districts for purposes of mitigating the cost of implementing the plan. None of these prerequisite events occurred so no costs savings were "realized" by the District. Regardless, the adjustment cannot be applied to the District since no state appropriation of the cost savings was made to the District.



#### 4. Calculation of Cost Savings

The court suggests that “(t)he amount or value of the savings may be determined from the calculations of annual solid waste disposal reduction or diversion which California Community Colleges must annually report to petitioner Integrated Waste Management Board pursuant to subdivision (b)(1) of Public Resources Code section 42926.” The parameters and guidelines are silent as to how to calculate the avoided costs. The court provided two alternative methods, either disposal reduction or diversion reported by districts, and the Controller utilized the diversion percentage, which assumes, without findings of fact, that all diversion tonnage is landfill disposal tonnage reduction.

##### a. The Controller’s formula is a standard of general application

The audit adjustment for the assumed landfill cost savings is based on a formula created by the Controller and has been consistently used for all 32 audits of this mandate published by the Controller (as of the date of this document). The Controller’s use of this formula for audit purposes is a standard of general application without appropriate state agency rulemaking and is therefore unenforceable (Government Code Section 11340.5). The formula is not an exempt audit guideline (Government Code Section 11340.9(e)). State agencies are prohibited from enforcing underground regulations. If a state agency issues, enforces, or attempts to enforce a rule without following the Administrative Procedures Act, when it is required to, the rule is called an “underground regulation.” Further, the audit adjustment is a financial penalty against the District, and since the adjustment is based on an underground regulation, the formula cannot be used for the audit adjustment (Government Code Section 11425.50).

##### b. The Controller’s formula assumes facts not in evidence

The audited offsetting cost savings is the sum of three components: the “allocated” diversion percentage, multiplied by the tonnage diverted, multiplied by a landfill disposal cost per ton. The Controller’s calculation method includes several factual errors that make it useless as a basis of determining potential cost savings.

1. Allocated diversion percentage: The audit report uses the diversion percentage reported by the District to the state (CalRecycle) for each year until 2008 at which time this statistic was no longer available from CalRecycle. The auditor then used the 2007 percentage for all subsequent years. In addition, for Fresno City College, the auditor used the 2001 diversion percentage to calculate the offsetting savings for FY 1999-2000 and FY 2000-01 because the copy of the Waste Management Annual Report obtained from CalRecycle had not been finalized. Therefore, the diversion rates used for the audit adjustments for FY 1999-2000 and FY 2000-01 and after 2007 are fiction.
2. Tonnage diverted: The Controller formula uses the total tonnage reported by the District to CalRecycle. The audit report states that this total amount includes “solid waste that the district recycled, composted, and kept out of the landfill.” Next, the audit report assumes without findings that all diverted tonnage would have been disposed in a landfill and thus additional landfill fees incurred for all additional tonnage diverted. Composted material, which is a significant amount of the diverted tonnage, would not have gone to the landfill. The audit report also assumes without findings that all diverted tonnage is within the scope of the mandate. The total tons diverted for some fiscal years may include materials that are outside the scope of the mandate (e.g. paint, hazardous materials). Deducting the compost amount and tonnage unrelated to the mandate would reduce both the total tonnage and the diversion percentage. The audit report uses the total tonnage diverted reported by the District to the state (CalRecycle) for each year until 2008 at which time this statistic was no longer available from CalRecycle. The auditor then used the 2007 tonnage for all subsequent years. In addition, for Fresno City College, the auditor used the 2001 tonnage diverted to calculate the offsetting savings for FY 1999-2000 and FY 2000-01 because the copy of the Waste Management Annual Report obtained from CalRecycle had not been finalized. Therefore, the diversion rates

used for the audit adjustments for FY 1999-2000 and FY 2000-01 and after 2007 are fiction.

3. Landfill disposal fee: Having no District information in the annual claims for landfill disposal fees, since it was not required for the annual claims or the CalRecycle report, the Controller's method uses a statewide average cost to dispose of a ton of waste, ranging from \$36 to \$56 per ton, based on data said to be obtained from CalRecycle. The audit report does not include the CalRecycle statewide data used to generate these average fee amounts. Thus, the source of the average or actual costs that comprise the average is unknown and unsupported by audit findings.

5. Application of the Formula

There are several factual errors in the application of this offset. The District did not claim landfill costs, so there are none to be offset. The adjustment method does not match or limit the landfill costs avoided to landfill costs, if any, actually claimed. Instead, the total adjustment amount for avoided landfill costs is applied to the total annual claim amounts and thus reduces unrelated salary and benefit costs for: preparing district policies and procedures; training staff who work on the integrated waste management plan; designating a plan coordinator; operating the plan accounting system; and, preparing the annual recycling material reports.

The Controller's calculation method thus prevents this District from receiving full reimbursement of its actual increased program costs, contrary to an unfounded expectation by the court. Footnote 1 of the court decision states that:

There is no indication in the administrative record or in the legal authorities provided to the court that, as respondent argues, a California Community College might not receive the full reimbursement of its actual increased costs required by section 6 if its claims for reimbursement of IWM plan costs were offset by realized cost savings and all revenues received from plan activities.

Indeed, it appears from the statewide audit results<sup>2</sup> to date that the application of the formula has only arbitrary results. The following table indicates the percentage of total claimed cost allowed by the "desk audits" conducted by the Controller on the single issue of the cost savings offset:

<u>Controller's Audits-cost savings Issue only District</u>	<u>Percentage Allowed</u>	<u>Audit Date</u>
Mira Costa Community College District	0%	10/08/2013
Citrus Community College District	2.0%	09/11/2013
Yuba Community College District	3.4%	05/07/2014
Grossmont-Cuyamaca Community College District	28.7%	4/30/2013
State Center Community College District	32.1%	08/30/2013
Merced Community College District	33.2%	07/09/2013
North Orange County Community College District	33.6%	08/15/2013
Solano Community College District	34.4%	06/17/2013
Long Beach Community College District	35.4%	05/22/2014
Sierra Joint Community College District	41.4%	07/22/2013
Yosemite Community College District	41.7%	07/10/2013
El Camino Community College District	43.0%	03/19/2014
Mt. San Antonio Community College District	43.7%	08/15/2013
Hartnell Community College District	45.0%	04/09/2014
Contra Costa Community College District	58.7%	05/29/2013
Monterey Peninsula Community College District	59.8%	06/05/2014
Siskiyou Joint Community College District	62.2%	06/03/2014
San Joaquin Delta Community College District	69.5%	05/07/2014
Gavilan Joint Community College District	69.6%	04/11/2014
West Kern Community College District	69.9%	06/03/2014
Marin Community College District	72.4%	06/03/2014
Victor Valley Community College District	73.4%	04/09/2014
Redwoods Community College District	83.4%	04/11/2014

The District agrees that any relevant realized cost savings should be reported, but the offset must also be properly matched to relevant costs.

#### SCO's Comments:

During our review of the district's claims, we found that the district realized total offsetting savings of \$296,208 from implementation of its IWM plan [**Exhibit A, page 36**].

The district believes that the SCO's offsetting savings adjustment is inappropriate because "none of these alleged cost savings were the realized by the District as required by the parameters and guidelines."

#### **2. Assumed Cost Savings**

- *Presumed Requirement for the District to use Landfills*

The district states, "The court presupposes a previous legal requirement for districts to incur landfill disposal fees to *divert* solid waste [emphasis added]." We disagree. Landfill fees are incurred when solid waste is disposed of. "Diversion" is not the same as disposal. Public Resources Code section 40192, subsection (b), states:

... solid waste disposal ... means the management of solid waste through landfill disposal...at a permitted solid waste facility.

Therefore, we believe that the district intended to state, "The court presupposes a previous legal requirement for districts to incur landfill disposal fees to *dispose of* solid waste [emphasis added]."

The district states that there is only a presumption for districts to incur landfill disposal fees to dispose of solid waste, yet the district does not provide an alternative for how non-diverted solid waste would be disposed of, if not at a landfill. In addition, the district does not state that it disposed of its solid waste at any location other than a landfill or used any other methodology to dispose of its waste other than to contract with a commercial waste hauler. Therefore, comments relating to legal requirements regarding alternatives for the disposal of solid waste are irrelevant.

As a matter of fact, the district acknowledges its use of landfills for solid waste disposal. In its annual waste management report to CalRecycle, the district states:

- o "...There is an on-going coalition of students and staff asking for a recycling program to continue and to take the lead in the community to divert and reduce our trash going to the landfill." [Tab 4, page 7]
- o "The new trash compactor will be able to contain the liquids, which can be emptied before it is hauled to the landfill." [Tab 4, page 11]

Further, the district reported to CalRecycle that it disposed of 8,688.2 tons of solid waste from 2000 through 2010, excluding 2002, as follows:

Calendar Year	Fresno City College	Reedley College	Total Tonnage Disposed
2000	- Tab 4, page 1	1,197.6 Tab 4, page 23	1,197.6
2001	351.9 Tab 4, page 2	1,100.0 Tab 4, page 25	1,451.9
2003	306.4 Tab 4, page 4	1,150.0 Tab 4, page 27	1,456.4
2004	369.0 Tab 4, page 6	285.0 Tab 4, page 29	654.0
2005	304.7 Tab 4, page 8	283.0 Tab 4, page 31	587.7
2006	310.0 Tab 4, page 10	284.0 Tab 4, page 33	594.0
2007	326.8 Tab 4, page 12	280.0 Tab 4, page 35	606.8
2008	338.0 Tab 4, page 14	285.0 Tab 4, page 37	623.0
2009	578.3 Tab 4, page 17	285.0 Tab 4, page 39	863.3
2010	381.5 Tab 4, page 20	272.0 Tab 4, page 42	653.5
<b>Total</b>	<u>3,266.6</u>	<u>5,421.6</u>	<u>8,688.2</u>

Within the narrative of these reports, the district acknowledges its contracts with a "refuge hauler [sic]." [Tab 4, pages 3, 5, 7, 9, 11, 13, 16, 18, and 21]. The district does not indicate in these annual reports that it used any other methodology to dispose of solid waste other than in the landfill.

Therefore, the evidence reviewed by the SCO supports that the district normally disposes of its waste at a landfill with the use of a commercial waste hauler.

- *Assumed Cost Savings*

The district states, "... the Controller's audit adjustment erroneously and simply assumes these costs savings occurred in the form of avoided landfill fees for the mandated tonnage diverted." We disagree. Unless the district had an arrangement with its waste hauler that it did not disclose to us or CalRecycle, the district did not dispose of its solid waste at a landfill for no cost.

### 3. Realized Cost Savings

The district reported to CalRecycle that it diverted 5,910.2 tons of solid waste from landfill disposal from 2000 through 2007, excluding 2002, as follows:

Calendar Year	Fresno City College	Reedley College	Total Tonnage Diverted
2000	- <b>Tab 4, page 1</b>	390.2 <b>Tab 4, page 23</b>	390.2
2001	403.1 <b>Tab 4, page 2</b>	367.0 <b>Tab 4, page 25</b>	770.1
2003	353.8 <b>Tab 4, page 4</b>	406.4 <b>Tab 4, page 27</b>	760.2
2004	379.5 <b>Tab 4, page 6</b>	632.8 <b>Tab 4, page 29</b>	1,012.3
2005	375.9 <b>Tab 4, page 8</b>	649.5 <b>Tab 4, page 31</b>	1,025.4
2006	379.5 <b>Tab 4, page 10</b>	639.6 <b>Tab 4, page 33</b>	1,019.1
2007	<u>346.2</u> <b>Tab 4, page 12</b>	<u>586.7</u> <b>Tab 4, page 35</b>	<u>932.9</u>
Total	<u>2,238.0</u>	<u>3,672.2</u>	<u>5,910.2</u>

The district realized a savings from implementation of its IWM plan. The savings is supported when the tonnage diverted is multiplied by the cost to dispose of one ton of solid waste at the landfill.

Public Resources Code section 42925(a) requires that cost savings realized as a result of implementing an IWM plan be redirected to fund IWM plan implementation and administration costs in accordance with Public Contract Code sections 12167 and 12167.1. We recognize that the district did not remit to the State any savings realized from implementation of its IWM plan. However, the failure of the district to remit to the State the savings realized from implementation of its IWM plan in compliance with the Public Contract Code and its failure to perform all of what it calls "prerequisite events" does not preclude it from the requirement to do so.

The amended parameters and guidelines, section VIII (Offsetting Cost Savings) state [**Exhibit B, page 63**]:

Reduced or avoided costs realized from implementation of the community college districts' Integrated Waste Management plans shall be identified and offset from this claim as cost savings, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1. Pursuant to these statutes, community college districts *are required to deposit cost savings* resulting from their Integrated Waste Management plans into the Integrated Waste Management Account in the Integrated Waste Management Fund [emphasis added].

The Sacramento Superior Court ruled on May 29, 2008, that the cost savings must be used to fund IWM plan costs when it stated [**Tab 5, page 7**]:

Second, respondent incorrectly interpreted the phrase 'to the extent feasible' in Public Resources Code section 42925 to mean that the redirection of cost savings resulting from diversion activities by California Community Colleges to fund their IWM plan implementation and administration costs was not mandatory and that colleges could direct the cost savings to other programs upon a finding of infeasibility. Respondent's interpretation is contrary to the manifest legislative intent and purpose of section 42925 that *cost savings be used to fund IWM plan costs* [emphasis added].

Therefore, evidence reviewed by the SCO supports that the district realized savings through diversion activities, and the savings are required to be remitted to the State and are to be used to fund IWM plan costs.

#### 4. Calculation of Cost Savings

##### a. The Controller's formula is a standard of general application

The district states, "The Controller's use of this formula for audit purposes is a standard of general application without appropriate state agency rulemaking and is therefore unenforceable." We disagree.

We used a "court-approved" methodology to determine the required offset, which we believe to be both fair and reasonable. In the Superior Court ruling dated May 29, 2008, the court stated that "Such reduction or avoidance of landfill fees and costs resulting from solid waste diversion activities under §42920 et seq. represent savings which *must* be offset against the costs of diversion activities to determine the reimbursable costs of IWM plan implementation – i.e., the actual increased costs of diversion – under section 6 and section 17514 [emphasis added]." [Tab 5, page 7].

The ruling goes on to state, "The amount or value of the savings may be determined from the calculations of annual solid waste disposal reduction or diversion which California Community Colleges must annually report to petitioner Integrated Waste Management Board pursuant to subdivision (b)(1) of Public Resources Code section 42926."

On September 26, 2008, the Commission amended the parameters and guidelines to be in accordance with the Judgment and Writ of Mandate issued by the court [Exhibit B, page 53]. On December 1, 2008, in compliance with Government Code section 17558, the SCO issued claiming instructions allowing community college districts to refile their FY 1999-2000 through FY 2007-08 claims to report the required offsetting savings. These amended claims were to be re-filed with the SCO on or before March 31, 2009 [Exhibit C, pages 87-88].

The district's IWM claims for FY 1999-2000, FY 2000-01, and FY 2003-04 were filed with the SCO on October 6, 2005. The district did not amend any of these claims to report the required offset identified in the amended parameters and guidelines. The IWM claims for FY 2004-05 through FY 2007-08 were filed with the SCO on March 30, 2009, and did not report the required offset. In addition, neither the FY 2008-09, FY 2009-10, nor the FY 2010-11 IWM claims reported the required offset. Therefore, due to the district's failure to report the required offset, we used the methodology identified in the May 29, 2008 Superior Court ruling to determine the applicable offset amount [see the offsetting savings calculation in Tab 6 and Exhibit A, page 31]. We believe that this "court-identified" approach provides a reasonable methodology by which to identify the required offset.

We informed the district of the finding via an email on August 1, 2013 [Tab 7]. Included in the email were various attachments, such as background information and the offsetting savings calculation. In addition, we offered to meet with the district to discuss this adjustment in greater detail. By August 16, 2013, the district had still not provided a response to the review finding. Therefore, the Audit Manager sent the district an email notifying it of the adjustment and also informing it of the official letter report. [Tab 8].

b. The Controller's formula assumes facts not in evidence

1. Allocated Diversion Percentage

Public Resources Code section 42921 states:

- (a) Each state agency and each large state facility shall divert at least 25 percent of all solid waste generated by the state agency by January 1, 2002, through source reduction, recycling, and composting activities.
- (b) On and after January 1, 2004, each state agency and each large state facility shall divert at least 50 percent of all solid waste through source reduction, recycling, and composting activities.

For every calendar year, except at Reedley College in 2000 and 2003, the district diverted above and beyond the requirements of Public Resources Code section 42921, based on information that the district reported to CalRecycle [Tab 4]. Therefore, we "allocated" the offsetting savings so as to not penalize the district by recognizing offsetting savings resulting from the additional non-mandated savings realized by the district from diverting solid waste above and beyond the applicable requirements of the Public Resources Code.

o Use of Calendar Year 2001 Diversion Percentage for Calendar Year 2000 at Fresno City College

The district is correct when it states, "In addition, for Fresno City College, the auditor used the 2001 diversion percentage to calculate the offsetting savings for FY 1999-2000 and FY 2000-01 because the copy of the Waste Management Annual Report obtained from CalRecycle has not been finalized." However, the district is incorrect when it states that the diversion rates used for the adjustment for FY 1999-2000 and FY 2000-01 are "fiction." We used the 2001 diversion information reported by the district to CalRecycle to calculate the offsetting savings for Fresno City College for FY 1999-2000 and FY 2000-01 because we confirmed that Fresno City College did perform diversion activities in 2000, and because the 2000 diversion information was not available.

The calendar year 2000 annual report for Fresno City College states, "Annual Report has not been finalized" [Tab 4, page 1]. This statement is not an indication that the college performed no diversion activities in 2000, rather a simple response that the annual report has not been finalized. Besides we know for a fact that Fresno City College performed diversion activities in 2000 because when questioned by CalRecycle as to how the waste stream changed in 2001, the college stated, "...we have increased recycling of beverage containers and the expansion of recycling of paper in the classrooms" [Tab 4, page 3]. Also, through the district's own admission, it claimed reimbursement of \$28,699 in salaries and benefits for its Custodians and Gardeners to perform "diversion" activities in FY 1999-2000 and FY 2000-01, as follows:

	Fiscal Year		Total
	1999-2000 (Exhibit D, page 212)	2000-01 (Exhibit D, page 217)	
Salaries and Benefits			
Diverting solid waste from landfill disposal or transformation facilities - source reduction	\$ 5,354	\$ 5,724	\$ 11,078
Diverting solid waste from landfill disposal or transformation facilities - recycling	8,515	9,106	17,621
	<u>\$ 13,869</u>	<u>\$ 14,830</u>	<u>\$ 28,699</u>

Therefore, in the absence of diversion information for 2000, we used the 2001 diversion information, as reported by the district to CalRecycle.

- Allocated Diversion Percentage for FY 1999-2000, FY 2000-01, and FY 2003-04 through FY 2006-07

For calendar years 2001 through 2007, we used the diversion information exactly as reported annually by the district to CalRecycle. However, we “allocated” the diversion percentage to the mandated level. For example, in calendar year 2007, Fresno City College reported to CalRecycle that it diverted 346.2 tons of solid waste and disposed of 326.8 tons, which results in an overall diversion percentage of 51.4% [Tab 4, page 12]. Because the district was required to divert 50% for that year to meet the mandated requirements and comply with the Public Resources Code, it needed to divert only 336.50 tons (673.0 total tonnage generated × 50%) in order to satisfy the 50% requirement. Therefore, we adjusted our calculation to compute offsetting savings based on 336.50 tons of diverted solid waste rather than a total of 346.2 tons diverted.

As there is no State mandate to exceed solid waste diversion greater than 25% for calendar years 2000 through 2003 or greater than 50% for calendar year 2004 and beyond, there is no basis for calculating offsetting savings realized for actual diversion percentages that exceed the levels set by statute.

- Allocated Diversion Percentage for FY 2007-08 through FY 2010-11

The district is correct when it states, “The auditor then used the 2007 percentage for all subsequent years.” With the passage of Senate Bill (SB) 1016 (Chapter 343; Statutes of 2008), CalRecycle began focusing on “per capita disposal” instead of a “diversion percentage.” As a result of SB 1016, beginning in calendar year 2008, CalRecycle stopped requiring districts to report the actual amount of tonnage diverted. Consequently, the annual reports no longer identify either the tonnage diverted or a diversion percentage. However, even though community college districts no longer report diversion information, they are still required to divert 50% of their solid waste.

The shift from diversion to disposal provides more accurate measurements, takes less time to calculate, and allows for jurisdictional growth. With the original system of a 25% or 50% diversion requirement, if the district diverted above its requirement, it was fully implementing its IWM plan. Now, with SB 1016, each jurisdiction has “a disposal target that is the equivalent of 50 percent diversion, and that target will be expressed on a *per capita basis*.” Therefore, if the district’s per-capita disposal rate is less than the target, it means that the district is meeting its requirement to divert 50% of its solid waste [Tab 9, page 4].

In reviewing the 2008 [Tab 4, pages 14 and 37], 2009 [Tab 4, pages 17 and 39], and 2010 [Tab 4, pages 20 and 42] annual reports, we found the district’s annual per capita disposal rate for both the employee and student populations to be below or near the target rate. Therefore, the district met its requirement to divert 50% of its solid waste. As the district was unable to provide either the tonnage diverted or the diversion percentage for calendar years 2008, 2009, and 2010, we used the 2007 diversion information [which is identified on Tab 4, pages 12 and 35] to calculate the required offsetting savings for FY 2007-08 through FY 2010-11.

We believe that the 2007 diversion information is a fair representation of the 2008 through 2010 diversion information because the district’s recycling processes have already been established and committed to. Nowhere in the annual reports for 2008



through 2010 does the district state that the existing recycling, source reduction, or composting programs have declined or ceased to exist. Further, in the 2008 annual report for Reedley College, when asked to explain what significant changes were made to the waste programs during the year, the college stated "In the source reduction area the use of electronic media also shows growth, this was identified in the addition of forms and catalogs now available on our website" and "One of our Industrial Trades Programs now reports their recycling of tractor and farm equipment metals." [Tab 4, page 38]. Therefore, it is entirely possible that the district's diversion percentages increased since 2007 with these growing programs, and that the offsetting savings calculations we determined for FY 2007-08 through FY 2010-11, which were based on the 2007 diversion information, possibly may be understated.

## 2. Tonnage Diverted

### o Composted Material

The district states, "Composted material, which is a significant amount of the diverted tonnage, would not have gone to the landfill." However, the district does not identify where this material (e.g. grass, weeds, branches, etc.) will be disposed of if it were not composted. Also, none of the narratives in the annual reports from 2000 to 2010 mention any composting performed by the district [Tab 4].

### o Hazardous Waste

The district states, "The audit report also assumes without findings that all diverted tonnage is within the scope of the mandate. The total tons diverted for some fiscal years may include materials that are outside the scope of the mandate (e.g., paint, hazardous materials)." This comment is irrelevant because hazardous waste is not included in the diversion amounts reported to CalRecycle [Tab 4]; therefore, it is not included in our offsetting savings calculation [Tab 6 or Exhibit A, page 31].

We agree that hazardous waste (e.g., paint) is not a part of the mandate. CalRecycle's website states:

These following materials are deemed as hazardous, and cannot be disposed in a landfill. Proper handling is required and does not count as diversion. These hazardous materials are regulated by the California Department of Toxic Substances (DTSC). Please see the DTSC website for their disposal guidelines. [Tab 10, pages 1 and 2]:

- o Universal waste – radios, stereo equipment, printers . . .
- o Electronic waste – common electronic devices that are identified as hazardous waste, such as computers . . .
- o Additional hazardous wastes should be properly managed: antifreeze, asbestos, *paint*, treated wood, used oil, etc. (emphasis added)

In compliance with these instructions, the district's Waste Management Annual Reports [Tab 4] submitted to CalRecycle did not include information regarding the diversion of hazardous waste.

### o Tonnage Diverted in Calendar Year 2000 and After Calendar Year 2007

The SCO's comments regarding the use of 2001 tonnage information to calculate the required offsetting savings for 2000, and the 2007 tonnage information to calculate the required offsetting savings for 2008 through 2010, are the same as previously addressed.

### 3. Statewide Average Landfill Disposal Fee

The district states, "Having no District information in the annual claims for landfill disposal fees, since it was not required for the annual claims or the CalRecycle report, the Controller's method uses a statewide average cost to dispose of a ton of waste, ranging from \$36 to \$56 per ton, based on data said to be obtained from CalRecycle."

The calendar year 2001 through 2006 "data said to be obtained from CalRecycle" was provided to the Commission on State Mandates by the Chief Counsel for the California Integrated Waste Management Board, in an attachment to a letter dated September 21, 2009 [Tab 11, pages 13 through 18]. The district's mandated cost consultant was copied on this letter and was privy to the "statewide average disposal fees" at that time [Tab 11, page 4]. On March 20, 2012, the statewide average landfill fees for calendar years 2007 and 2008 were provided to the SCO by the Recycling Program Manager I at CalRecycle (formerly the California Integrated Waste Management Board) [Tab 12]. On May 31, 2012, the statewide average landfill fees for calendar years 2009 and 2010 were provided to the SCO by the same employee at CalRecycle [Tab 13]. We confirmed with CalRecycle that it obtained the "statewide average disposal fees" from a private company, which polled a large percentage of the landfills across California to establish the statewide averages.

The district did not provide any information, such as its contract with or invoices received from its commercial waste hauler to support either the landfill fees actually incurred by the district or to confirm that the statewide average landfill fee was greater than the actual landfill fees incurred by the district.

### 5. Application of the Formula

The district states, "The District did not claim landfill costs, so there are none to be offset." This comment is irrelevant because the mandated program does not reimburse claimants for landfill costs incurred to dispose of solid waste. Instead, the mandated program reimburses claimants to divert solid waste from landfill disposal. By diverting solid waste, the district realizes both a reduction of solid waste going to a landfill and the associated cost of having the waste hauled there. The reduction of landfill costs incurred creates offsetting savings that the district is required to identify in its mandated cost claims.

The Superior Court ruled on May 29, 2008, [Tab 5, page 7] that:

*...the reduced or avoided costs of landfill disposal are an integral part of the IWM diversion mandate under Public Resources Code section 42920 et seq. Therefore, respondent's conclusion that reduced or avoided disposal costs could not qualify as an offsetting cost savings for diversion costs, based on the erroneous premise that reduced or avoided costs were not part of the reimbursable mandates of Public Resources Code section 42920 et seq., is wrong [emphasis added].*

The district states, "The adjustment method does not match or limit the landfill costs avoided to landfill costs, if any, actually claimed. Instead, the total adjustment amount for avoided landfill costs is applied to the total annual claim amounts and thus reduces unrelated salary and benefit costs for some of the following activities: preparing district policies and procedures; training staff who work on the integrated waste management plan; designating a plan coordinator; operating the plan accounting system; and, preparing annual recycling material reports." We disagree.

Public Resources Code section 42925 states that cost savings realized as a result of the IWM plan be redirected to "fund plan *implementation and administration costs*" [emphasis added]. Also, the district did not identify, and we did not find, any statute or provision limiting offsetting savings solely to solid waste diversion activities included in the district's IWM claims.

Further, the district's statements are contrary to the purpose of the mandated program. The parameters and guidelines (Section VIII. Offsetting Cost Savings) state [**Exhibit B, page 63**]:

Reduced or avoided costs realized from *implementation of the community college districts' Integrated Waste Management plans* shall be identified and offset from the claim as cost savings, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1 [emphasis added].

When outlining the reimbursable activities, the parameters and guidelines consistently use the phrase "implementation of the integrated waste management plan," as follows:

- A. One-Time Activities [**Exhibit B, page 58**]
  - 1. Develop the necessary district policies and procedures for the *implementation of the integrated waste management plan* [emphasis added].
  - 2. Train district staff on the requirements and *implementation of the integrated waste management plan* (one-time per employee). Training is limited to staff working directly on the plan [emphasis added].
- B. Ongoing Activities [**Exhibit B, page 58**]
  - 4. Designate one solid waste reduction and recycling coordinator for each college in the district to perform new duties imposed by chapter 18.5 (Public Resources Code, §§42920 – 42928). The coordinator shall *implement the integrated waste management plan*. . . . [emphasis added].
- C. Annual Report [**Exhibit B, page 60**]
  - 3. A summary of progress made in *implementing the integrated waste management plan*. . . [emphasis added].

Therefore, we believe it is reasonable that the offsetting savings realized from "implementing the plan" be offset against all direct costs incurred to "implement the plan."

To conclude, the district provided a table of other engagements conducted by the State Controller's Office on the single issue of cost savings. The adjustments made at other community college districts are not relevant to the current issue at hand.

### III. OFFSETTING REVENUES AND REIMBURSEMENTS

#### Issue

The district properly reported offsetting revenues of \$6,967. In addition, this recycling revenue is not subject to appropriation in the form of cost savings.

#### SCO's Analysis:

We agree with the district.

#### District's Response:

#### B. OFFSETTING REVENUES AND REIMBURSEMENTS

The District's annual claims reported recycling income as an offset to total reimbursable costs in the amount of \$6,967:

Controller	Linds 9, 10, 11
Form IWM-1	Other
<u>Fiscal Year</u>	<u>Reimbursements</u>
1999-00	\$ 466.90
2000-01	\$ 235.50
2003-04	\$ 323.30
2004-05	\$ 602.00
2005-06	\$ 375.00
2006-07	\$ 710.00
2007-08	\$ 1,728.00
2008-09	\$ 1,170.00
2009-10	\$ 846.00
2010-11	\$ 510.10
Totals	\$ 6,966.80

The audit report correctly states that this District revenue was not deposited into the State IWM Account, but there is no such requirement to do so for community colleges. Recycling revenues are not offsetting savings, but are offsetting revenues generated from implementing the IWM plan. Regarding recycling revenues, the court stated:

Although Public Contract Code sections 12167 and 12167.1 apply to California Community Colleges for the purpose of offsetting savings pursuant to the terms of Public Resources Code section 42925, sections 12167 and 12167.1 *do not apply to the colleges for the purpose of offsetting revenues or, indeed, any other purpose* [emphasis added by district]. Sections 12167 and 12167.1 apply exclusively to state agencies and institutions; the colleges, which are school districts rather than state agencies, are not specifically defined as state agencies for purposes of the State Assistance for Recycling Markets Act of which sections 12167 and 12167.1 are a part. Therefore, sections 12167 and 12167.1 do not properly govern the revenues generated by the colleges' recycling activities pursuant to their IWM plans. *The limits and conditions placed by sections 12167 and 12167.1 on the expenditure of recycling revenues for the purpose of offsetting recycling program costs are simply inapplicable to the revenues generated by the colleges' recycling activities* [emphasis added by district].

The provisions of Public Resources Code section 42920 et seq. do not address the use of revenues generated by recycling activities of California Community Colleges under IWM plans to offset reimbursable plan costs. *Thus, use of the revenues to offset reimbursable IWM plan costs is governed by the general principles of state mandates, that only the actual increased costs of a state-mandated program are reimbursable and, to that end, revenues provided for by the state-mandated program must be deducted from program costs* [emphasis added by district]. (See Cal. Const., art. XII B, § 6; Gov. Code §§ 17154, 17556, subd. (e); *County of Fresno v. State of California* (1991) 51 Cal.3d 482, 487; *County of Sonoma v. Commission on State Mandates*, (2000) 84 Cal.App.4th 1264, 1284.) These principles are reflected in the respondent's regulation which requires, without limitation or exception, the identification of offsetting revenues in the parameters and guidelines for reimbursable cost claims. (Cal. Code Regs., tit. 2, §1183.1(a)(7)) *Emphasis added.*

The amended and retroactive parameters and guidelines adopted September 26, 2008, state:

#### VII. OFFSETTING REVENUES AND REIMBURSEMENTS

Reimbursement for this mandate from any source, including but not limited to, service fees collected, federal funds, and other state funds allocated to any service provided under this

program, shall be identified and offset from this claim. Offsetting revenue shall include all revenues generated from implanting the Integrated Waste management Plan.

In addition, revenue from a building-operating fee imposed pursuant to Education Code section 76375, subdivision (a) if received by a claimant and the revenue is applied to this program, shall be deducted from the costs claimed.

Therefore, the District properly reported the recycling income as a reduction of total claimed costs and not subject to state appropriation in the form of cost savings.

SCO's Comment:

No adjustment was made to the district's claims with regard to offsetting revenues and reimbursements; therefore, we are uncertain as to why the district included this argument in its IRC filing.

**IV. PROCEDURAL ISSUES**

Issue

The district asserts that none of the adjustments were because program costs claimed were excessive or unreasonable, which is the only mandated cost audit standard in statute. Also, the district states that it is the Controller's responsibility to provide evidence of its audit finding.

SCO's Analysis:

The SCO did conclude that the district costs claimed were excessive. In addition, the data the SCO used to calculate the offset was based on factual information provided solely by the district and CalRecycle.

District's Response:

**C. PROCEDURAL ISSUES**

1. Standard of Review

None of the adjustments were made because the program costs claimed were excessive or unreasonable. The Controller does not assert that the claimed costs were excessive or reasonable, which is the only mandated cost audit standard in statute (Government Code Section 17561(d)(2)). It would therefore appear that the entire findings are based upon the wrong standard for review. If the Controller wishes to enforce other audit standards for mandated cost reimbursement, the Controller should comply with the Administrative Procedure Act.

2. Burden of Proof

Here, the evidentiary issue is the Controller's method for determining the adjustments. In many instances in the audit report, the District was invited to provide missing data in lieu of fictional data used by auditor, or to disprove the auditor's factual assumptions. This is an inappropriate shifting of the burden of proof for an audit. The Controller must first provide evidence as to the propriety of its audit finding because it bears the burden of going forward and because it is the party with the power to create, maintain, and provide evidence regarding its auditing methods and procedures, as well as the specific facts relied upon for its audit findings.

SCO's Comments:

1. Standard of Review

We disagree with the district's conclusion. Government Code section 17558.5 requires the district to file a reimbursement claim for actual mandate-related costs. Government Code section 17561, subdivision (d)(2), allows the SCO to audit the district's records to verify actual mandate-related costs *and* reduce any claim that the SCO determines is excessive or unreasonable. In addition, Government Code section 12410 states, "The Controller shall audit all claims against the state, and may audit the disbursement of any state money, for correctness, legality, and for sufficient provisions of law for payment." Therefore, the SCO has sufficient authority to impose these adjustments. The district's contention that the SCO is authorized to reduce a claim only if it determines the claim to be excessive or unreasonable is without merit.

The SCO did, in fact, conclude that the district's claim was excessive. Excessive is defined as "exceeding what is usual, proper, necessary, or normal....Excessive implies an amount or degree too great to be reasonable or acceptable..."<sup>1</sup> The district's mandated cost claims exceeded the proper amount based on the reimbursable costs allowable per statutory language and the program's parameters and guidelines. Therefore, the district's comments regarding the Administrative Procedure Act are irrelevant.

---

<sup>1</sup> Merriam-Webster's Collegiate Dictionary, Tenth Edition, © 2001

## 2. Burden of Proof

The district's statement mentions what it calls "fictional data" and "factual assumptions" used as a basis for the adjustments made to the district's claims. However, the data that the SCO used to calculate the offsetting savings adjustments were based on information maintained by the district and reported by the district to CalRecycle as a result of implementing its IWM plan [Tab 4]. Further, the tonnage amounts reported to CalRecycle are hardly "fictional." When questioned by CalRecycle as to how the reported tonnage amounts were determined, the district stated "All tonnage amounts are actual amounts from our refuge hauler [sic]. The data is from the amounts hauled off our campus. The beverage vendor also sends us data on the amount of beverages they sell from their vending machines" [Tab 4, page 5].

In addition, we used a statewide average disposal fee based on information provided by CalRecycle [Tabs 11, 12 and 13].

The district is correct when it states that we advised the district of our adjustments to its claims. In an email dated August 1, 2013 [Tab 7], we provided the district with the following information:

- Offsetting Savings Calculations for both Fresno City College and Reedley College [Tab 6]
- Narrative of Finding (identified as Attachment 3 in the review report) [Exhibit A, page 36]
- Waste Management Annual Reports of Diversion [Tab 4]
- September 10, 2008 Final Staff Analysis (from the Commission on State Mandates)
- Amended Parameters and Guidelines [Exhibit B, page 53]
- Fiscal Analysis (Summary of claimed, allowable, and unallowable costs by fiscal year (identified as Attachment 1 in the review report [Exhibit A, page 27])

As mentioned earlier, we informed the district of the finding via an email on August 1, 2013 [Tab 7]. Included in the email were various attachments, including background information and the offsetting savings calculation. At the conclusion of the email, we offered to have a meeting with the district to discuss this adjustment in greater detail. By August 16, 2013, the district had still not provided a response to the finding nor did it follow-up on our request for a meeting to discuss

alternate methodologies to calculate the required offsetting savings. Therefore, we proceeded with adjusting the district's claims by the finding amount identified in the August 1, 2013 email [Tab 8].

## V. CONCLUSION

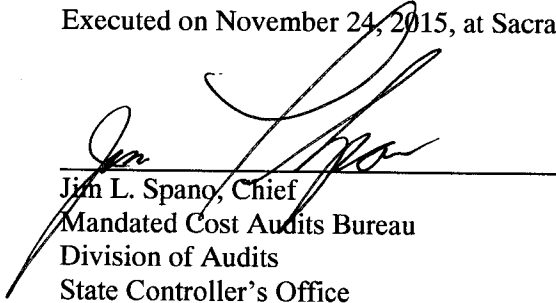
The SCO reviewed State Center Community College District's claims for costs of the legislatively mandated Integrated Waste Management Program (Chapter 1116, Statutes of 1992; and Chapter 764, Statutes of 1999) for the period of July 1, 1999, through June 30, 2001; and July 1, 2003 through June 30, 2011. The district did not report any offsetting savings. We found that the district realized savings of \$296,208 from implementation of its IWM plan.

In conclusion, the Commission should find that the SCO: (1) correctly reduced the district's FY 1999-2000 claim by \$10,535; (2) correctly reduced the district's FY 2000-01 claim by \$20,642; (3) correctly reduced the district's FY 2003-04 claim by \$29,569; (4) correctly reduced the district's FY 2004-05 claim by \$31,734; (5) correctly reduced the district's FY 2005-06 claim by \$34,278; (6) correctly reduced the district's FY 2006-07 claim by \$37,027; (7) correctly reduced the district's FY 2007-08 claim by \$38,110; (8) correctly reduced the district's FY 2008-09 claim by \$40,805; (9) correctly reduced the district's FY 2009-10 claim by \$42,729; and, (10) correctly reduced the district's FY 2010-11 claim by \$10,779.

## VI. 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 November 24, 2015, at Sacramento, California, by:

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

## **Tab 3**



1 EDMUND G. BROWN JR.  
Attorney General of the State of California  
2 CHRISTOPHER E. KRUEGER  
Senior Assistant Attorney General  
3 DOUGLAS J. WOODS  
Supervising Deputy Attorney General  
4 JACK WOODSIDE, State Bar No. 189748  
Deputy Attorney General  
5 1300 I Street, Suite 125  
P.O. Box 944255  
6 Sacramento, CA 94244-2550  
Telephone: (916) 324-5138  
7 Fax: (916) 324-8835  
E-mail: Jack.Woodside@doj.ca.gov  
8 Attorneys for Petitioners Department of Finance and  
California Integrated Waste Management Board  
9

~~FILED~~ / ENDORSED  
JUN 30 2008  
By Christa Beebout, Deputy Clerk

10 SUPERIOR COURT OF CALIFORNIA  
11 COUNTY OF SACRAMENTO

13 STATE OF CALIFORNIA DEPARTMENT OF  
FINANCE, CALIFORNIA INTEGRATED  
14 WASTE MANAGEMENT BOARD,  
15  
Petitioner,  
16  
v.  
17 COMMISSION ON STATE MANDATES,  
18  
Respondent,  
19 SANTA MONICA COMMUNITY COLLEGE  
DISTRICT, LAKE TAHOE COMMUNITY  
20 COLLEGE DISTRICT,  
21  
Real Parties in Interest.

Case No: 07CS00355

~~PROPOSED~~ JUDGMENT  
GRANTING PETITION FOR  
WRIT OF ADMINISTRATIVE  
MANDAMUS

Judge: The Honorable  
Lloyd G. Connelly  
Dept: 33

22  
23 This matter came before this Court on February 29, 2008, for hearing in Department 33  
24 of the above court, the Honorable Lloyd G. Connelly presiding. Eric Feller appeared on behalf of  
25 Respondent Commission on State Mandates, and Jack C. Woodside appeared on behalf of  
26 Petitioners California Department of Finance and California Integrated Waste Management  
27 Board.

28 ///

1 The Administrative Record having been admitted into evidence and considered by the  
2 Court, and the Court having read and considered the pleadings and files, argument having been  
3 presented and the Court having issued its Ruling on Submitted Matter on May 29, 2008;

4 IT IS HEREBY ORDERED that:

- 5 1. The Petition for Writ of Administrative Mandamus is GRANTED;
- 6 2. A Peremptory Writ of Mandate shall issue from this Court remanding the matter  
7 to Respondent Commission and commanding Respondent Commission to amend the parameters  
8 and guidelines in Test Claim No. 00-TC-07 to require community college districts claiming  
9 reimbursable costs of an integrated waste management plan under Public Resources Code section  
10 42920, et seq. to identify and offset from their claims, consistent with the directions for revenue  
11 in Public Contract Code sections 12167 and 12167.1, cost savings realized as a result of  
12 implementing their plans; and
- 13 3. The Writ shall further command Respondent Commission to amend the  
14 parameters and guidelines in Test Claim No. 00-TC-07 to require community college districts  
15 claiming reimbursable costs of an integrated waste management plan under Public Resources  
16 Code section 42920, et seq. to identify and offset from their claims all of the revenue generated  
17 as a result of implementing their plans, without regard to the limitations or conditions described  
18 in sections 12167 and 12167.1 of the Public Contract Code.

19  
20 Dated: JUN 30 2008

**LLOYD G. CONNELLY**  
The Honorable Lloyd G. Connelly  
Judge of the Sacramento County Superior Court

21  
22  
23  
24  
25  
26  
27  
28

**DECLARATION OF SERVICE BY U.S. MAIL**

Case Name: **State of California Dept. of Finance, et al. v. Commission on State Mandates**  
Sacramento County Superior Court No.: 07CS00355

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service that same day in the ordinary course of business.

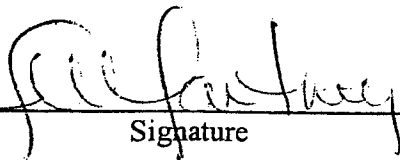
On June 18, 2008, I served the attached **[PROPOSED] PEREMPTORY WRIT OF MANDATE**; by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the internal mail collection system at the Office of the Attorney General at 1300 I Street, Suite 125, P.O. Box 944255, Sacramento, CA 94244-2550, addressed as follows:

Eric Feller  
Commission on State Mandates  
980 9th Street, Suite 300  
Sacramento, CA 95814  
Respondent *Commission on State Mandates*

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on June 18, 2008, at Sacramento, California.

Christine A. McCartney

Declarant

  
Signature

**Tab 4**

2000 - FRESNO CITY COLLEGE



**State Agency Reporting Center: Waste Management Annual Report  
2000 SARC Annual Report: Fresno City College**

[New Search](#) | [Agency Detail](#)

**Annual Report has not been finalized.**

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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2001 - FRESNO CITY COLLEGE



**State Agency Reporting Center: Waste Management Annual Report  
2001 SARC Annual Report: Fresno City College**

[New Search](#) | [Agency Detail](#)

[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

**Physical Address**  
1101 E. University  
Fresno, CA 93741

**CalRecycle Representative**  
John Duke  
[John.Duke@CalRecycle.ca.gov](mailto:John.Duke@CalRecycle.ca.gov)  
(916) 341-6712 x8746

Total Number of Employees including Facilities: 1,038

Recycling Coordinator: Juan Bravo [juan.bravo@fresnocitycollege.edu](mailto:juan.bravo@fresnocitycollege.edu) (559) 442-4600

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Fresno City College	1,038	1101 E. University Fresno, CA 93741
<b>Total Employees in Facilities:</b>	<b>1,038</b>	
Export To Excel		Count: 1

**Annual Per Capita Disposal**

**Diversion Program Summary**

Total Tonnage Diverted: 403.1 → 1/1/01 - 6/30/01 : 201.55  
 Total Tonnage Disposed: 351.9  
 Total Tonnage Generated: 755.0  
 Overall Diversion Percentage: 53.4%  
 7/1/01 - 12/31/01 : 201.55  
403.1

**Employees**  
Total Number of Employees: 1,038

**Non-Employee Population**  
Total Number of Non-employees: 23,000  
Non-employee Population Type: Visitors, Inmates, etc

**Disposal**  
Total amount Disposed: 351.90 tons

**Annual Results**

	Employee Population			
	Target	Annual	Target	Annual
Per Capita Disposal Rate (pounds/person/day):	0.00	1.90	0.00	0.08

(2)

2001 - FRESNO CITY COLLEGE

**Questions**

Is the mission statement of the State agency/large State facility the same as reported in the Integrated Waste Management Plan?

How has the waste stream, i.e. those materials disposed in landfills, changed since the Integrated Waste Management Plan was submitted?

The waste stream has not changed however, we have increased recycling of beverage containers and the expansion of recycling of paper in the classrooms.

What waste diversion programs are currently in place and what waste diversion programs were implemented in 2001 to meet the waste diversion goals?

Recycling: Composting: Special Waste:

How were the amounts of materials disposed and diverted, that were entered into the Annual Report, determined (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)?

The amounts of materials disposed and diverted in our Annual Report are determined by actual disposal and recycling weights. Our refuge hauler provides us with data for our Annual Report.

What types of activities are included in each of the reported programs? For example does your agency Business Source Reduction include email, double-sided photocopying, reusing envelopes, etc.?

Recycling: Beverage Containers Office paper(mixed) Cardboard Scrap Metal Composting: Xeriscaping/ grasscycling Commercial Pickup of Waste Food waste composting Special Waste: Other special waste( scrap metal, wood, cloth)

Has the State agency/large State facility adopted or changed it's waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing it's Integrated Waste Management Plan in 2001 to help meet the waste diversion goals?

The resources the college has committed to implementing the Integrated Waste Management Plan has been staff. We currently have a Building Services employee that picks-up the paper recyclables, then hauls them to the paper storage bin. This employee works on recycling about 2-3 hours daily. He is responsible for breaking down cardboard boxes, sorting through piles of cardboard to remove contaminants, and for assisting with surplus equipment removal from campus. He also contacts the appropriate individuals or refuge hauler to pick up any recyclables needing to be hauled away.

**Programs**

Program Name	Existing	Planned/Expanding	Tons
Beverage Containers	X		3.2500
Cardboard	X		23.4600
Office Paper (mixed)	X		12.8700
Scrap Metal	X		1.0000
Xeriscaping, grasscycling	X		240.0000
Commercial pickup of compostables	X		57.7600
Food waste composting	X		60.0000
Other special waste	X		4.7200

403.1 TONS  
DIVERTED, SEE  
PAGE 2

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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2007 - FRESNO CITY COLLEGE



State Agency Reporting Center: Waste Management Annual Report  
 2003 SARC Annual Report: Fresno City College

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

Physical Address  
 1101 E. University  
 Fresno, CA 93741

CalRecycle Representative  
 John Duke  
[John.Duke@CalRecycle.ca.gov](mailto:John.Duke@CalRecycle.ca.gov)  
 (916) 341-6712 x8746

Total Number of Employees Including Facilities: 1,038

Recycling Coordinator: Juan Bravo [juan.bravo@fresnocitycollege.edu](mailto:juan.bravo@fresnocitycollege.edu) (559) 442-4600

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Fresno City College	1,038	1101 E. University Fresno, CA 93741
<b>Total Employees in Facilities:</b>	<b>1,038</b>	
Export To Excel		Count: 1

Annual Per Capita Disposal			
<b>Diversion Program Summary</b>			
Total Tonnage Diverted: 353.8	→	1/1/03 - 6/30/03 :	176.9
Total Tonnage Disposed: 306.4		7/1/03 - 12/31/03 :	176.9
Total Tonnage Generated: 660.2			<u>353.8</u>
Overall Diversion Percentage: 53.6%			
<b>Employees</b>			
Total Number of Employees: 1,038			
<b>Non-Employee Population</b>			
Total Number of Non-employees: 23,000			
Non-employee Population Type: Visitors, Inmates, etc			
<b>Disposal</b>			
Total amount Disposed: 306.40 tons			
<b>Annual Results</b>			
	<u>Employee Population</u>		
	<u>Target</u>	<u>Annual</u>	<u>Target Annual</u>
Per Capita Disposal Rate (pounds/person/day):	0.00	1.60	0.00 0.07
<b>Questions</b>			
Is the mission statement of the State agency/large State facility the same as reported in the previous year?			

4 37



2003 - FRESNO CITY COLLEGE

How has the waste stream (i.e. those materials disposed in landfills) changed since the Integrated Waste Management Plan was submitted? (Changes include kinds and quantities of materials disposed in landfills.)

It is obvious that the waste stream has changed because of the lower percentage of diversion ratio. There can be a couple of reasons for this and the electronic mail has something to do about this. Another is the hauler lumped some of our loads together thus giving less diversion for recyclables. Searching through the data provided to me by our hauler, I see some areas where the tonnage was not close to what it has been over the past couple of years.

Summarize what waste diversion programs were continued or newly implemented during the report year.

Over the past year there have not been any new programs implemented for recycling. We have increased the e-mail to students and staff. Every employee in the District has an e-mail address, thus eliminating much of the paper used for flyers, memos, and general information normally sent on paper. There is an increase to the mixed paper because we started recycling in every class and offices. We had only been doing it in large classrooms and division offices. The cardboard has also increased do to a conscious effort by staff to break down the cardboard so the Building Services Custodians could haul it to our holding bins. Most of it was being thrown away into the garbage and would be in the tonnage amounts. Under the Special Waste we show some tonnage and the amounts are due to a clean-up of the Old Administration building. The building is in the process of being renovated with bond monies. The clean-up was the initial process to turn the building over to the architects.

How were the tonnages determined for the materials disposed and diverted? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)

All tonnage amounts are actual amounts from our refuge hauler. The data is from the amounts hauled off our campus. The beverage vendor also sends us data on the amount of beverages they sell from their vending machines.

What types of activities are included in each of the reported programs? (The following link of category definitions may assist you in answering this question.)

Recycling: Our cardboard is being stacked in a 25 yard enclosed cargo box. The cardboard is broken down and manually piled in the the cargo box from back to front. We also have a couple of 4 yard and a 6 yard dumpsters that are primarily for cardboard. These are picked up (5) times per week. The plastic is picked up by the Local Fresno Conservation Corp, which comes on campus twice per week. They also recover the glass and newspaper from their recycle containers. Aluminum cans are collected in these containers. There are several individuals that are not employees that carry off garbage bags full of recyclables daily. Our office paper, both the mixed and white, are stored in a large self-contained cargo box, which is divided into four compartments. This paper bin is hauled away quarterly. The scrap metal we recycle is from the industrial shop classes. Organic management: Our xeriscaping and grasscycling programs are continual and the green waste is hauled away as needed. Special waste: The wood waste is from an open roll-off placed in the Plant Facilities yard, the grounds debris and other wood trash is placed in it. We also place the sawdust from the carpentry shop area, in the wood waste roll-off. We also had some other special waste that was collected from our Old Administration building, which is scheduled for renovations. The initial clean-up is done in order to get it ready for the architects and the renovation project. The project is being funded by bond monies.

Has the State agency/large State facility adopted or changed its waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help meet the waste diversion goals?

Our campus has begun the renovation of the historical Old Administration building, and the initial clean-up was an effort to remove old furniture, obsolete equipment, and piles of debris. The amount of this removal is included in the data provided in our report. More recycle bins have been placed throughout the campus in classrooms and labs. We had already increased the recycle bins in our offices. Our increase in trash and recyclables have not been recorded properly on our data reports from our hauler. The hauler has had management changes in the Fresno office, thus there are discrepancies in our totals for the year. Since I rely on their tracking of the tonnage from our campus, I can not resolve this problem.

**Programs**

Program Name	Existing	Planned/Expanding	Tons
Business Source Reduction		X	0.0000
Material Exchange		X	0.0000
Beverage Containers	X	X	10.2200
Cardboard	X		14.6800
Office Paper (white)	X		1.5000
Office Paper (mixed)	X		14.6300
Plastics	X		0.5000
Xeriscaping, grasscycling	X		240.0000
Commercial pickup of compostables	X		35.3500
Scrap Metal	X		1.0000
Wood waste	X	X	20.3900
Other special waste	X		15.5200

353.8 TONS  
DIVERTED,  
SEE PAGE 4

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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2004 - FRESNO CITY COLLEGE



State Agency Reporting Center: Waste Management Annual Report  
 2004 SARC Annual Report: Fresno City College

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

Physical Address  
 1101 E. University  
 Fresno, CA 93741

CalRecycle Representative  
 John Duke  
[John.Duke@CalRecycle.ca.gov](mailto:John.Duke@CalRecycle.ca.gov)  
 (916) 341-6712 x8746

Total Number of Employees including Facilities: 1,038  
 Recycling Coordinator: Juan Bravo [juan.bravo@fresnocitycollege.edu](mailto:juan.bravo@fresnocitycollege.edu) (559) 442-4600

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Fresno City College	1,038	1101 E. University Fresno, CA 93741
<b>Total Employees in Facilities:</b>	<b>1,038</b>	
Export To Excel		Count: 1

**Annual Per Capita Disposal**

**Diversion Program Summary**

Total Tonnage Diverted: 379.5 → 1/1/04 - 6/30/04 : 189.75  
 Total Tonnage Disposed: 369.0  
 Total Tonnage Generated: 748.5 7/1/04 - 12/31/04 : 189.75  
 Overall Diversion Percentage: 50.7%

**Employees**  
 Total Number of Employees: 1,038  
379.5

**Non-Employee Population**  
 Total Number of Non-employees: 23,000  
 Non-employee Population Type: Visitors, Inmates, etc

**Disposal**  
 Total amount Disposed: 369.00 tons

**Annual Results**

	Employee Population			
	Target	Annual	Target	Annual
Per Capita Disposal Rate (pounds/person/day):	0.00	1.90	0.00	0.09

**Questions**

Is the mission statement of the State agency/large State facility the same as reported in the previous year?

39

2004 - FRESNO CITY COLLEGE

How has the waste stream (i.e. those materials disposed in landfills) changed since the Integrated Waste Management Plan was submitted? (Changes include kinds and quantities of materials disposed in landfills.)

The waste stream did change a little, which caused our percentage of diversion to be lower. This year we used other sources of diversion. We counted the buy back of used books, we utilized on-line forms, took into account the items we sale at our auction. In the initial plan our primary reductions were of recycle contents, but now we have expanded to include source reductions. Our wood waste also increased this year.

Summarize what waste diversion programs were continued or newly implemented during the report year.

As was stated in the previous question, our waste diversion programs expanded to include items in source reduction. Under Business Source Reductions we diverted utilizing electronic media and online forms, thus reducing forms and paper usage. In the Material Exchange area we incorporated reduction in the used buy back category and auction items. Recycling remained the same but our percentages were up in all categories listed. Under Special Waste Materials the wood waste percentages were up as well. Though our percentages were up for diversion and recycling, so was our total tonnage diverted and tonnage to be disposed of. We hope to have more diversion for the next year as we have several construction projects that will be on-going all year.

How were the tonnages determined for the materials disposed and diverted? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)

All percentages and weights for the report are actual amounts given to us by our refuge hauler. The recycling numbers were the amounts totaled by the beverage container companies that serve our campus.

What types of activities are included in each of the reported programs? (The following link of category definitions may assist you in answering this question.)

Source Reduction: In the Business Source Reduction the type of activity was the on-line registration and the elimination of paper forms. In the Materials Exchange category our activities were our auction and equipment surplus items. Also we had used buy back totals from our Bookstore. These are new categories we have not utilized in the past. I plan to use these numbers for reduction annually from now on. Recycling: The Beverage Containers amounts are up slightly from last year due the increase of vending machines on campus. Our Cardboard tonnage is up due to the increase of new computers that were purchased during the year. The Media Center personnel are assisting with the collection of the computer cardboard boxes. These boxes weigh more than normal cardboard boxes do. The Office paper (white) shows an increase because we have been keeping a careful watch to make sure that the white paper is not contaminated with the colored mixed paper. In the past our loads were contaminated and we would lose the entire amount to the mixed paper. In the Special Collection Events category the amounts are from the recycling of telephone books. We had over 600 telephone books recycled last year. I hope to get a higher number for next year. Composting: Xeriscaping, grasscycling remained the same and should stay the same for next year. Special Waste: The Wood Waste has increased due to elimination of several trees for the upgrade of parking lots and for the clearing of the area for the railroad underpass. The underpass should be completed by September 2005, so there may be an increase in this category next year.

Has the State agency/large State facility adopted or changed its waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help meet the waste diversion goals?

The resources utilized to help meet the waste diversion goals were our staff and personnel from the areas with the most items for diversion or recycling. Their efforts to break down cardboard boxes, carefully watch to deter any contamination of office paper, collection of telephone books, reduction of paper forms through on-line registration, used book buy back efforts by Bookstore employees, the concerted effort of Maintenance staff to record and account for auction and equipment surplus sales, and the Grounds staff collecting and transporting all green and wood waste from areas scheduled for construction. There is an on-going coalition of students and staff asking for a recycling program to continue and to take the lead in the community to divert and reduce our trash going to the landfill.

Program Name	Existing	Planned/Expanding	Tons
Business Source Reduction	X		1.2100
Material Exchange	X		41.7400
Beverage Containers	X		11.5100
Cardboard	X		22.9100
Office Paper (white)	X		15.2800
Special Collection Events	X		1.3200
Xeriscaping, grasscycling	X		240.0000
Wood waste	X		45.5000

379.5 TONS  
DIVERTED, SEE  
PAGE 6

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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2005 - FRESNO CITY COLLEGE



**State Agency Reporting Center: Waste Management Annual Report  
2005 SARC Annual Report: Fresno City College**

[New Search](#) | [Agency Detail](#)

[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

Physical Address  
1101 E. University  
Fresno, CA 93741

CalRecycle Representative  
John Duke  
[John.Duke@CalRecycle.ca.gov](mailto:John.Duke@CalRecycle.ca.gov)  
(916) 341-6712 x8746

Total Number of Employees including Facilities: 1,038

Recycling Coordinator: Juan Bravo [juan.bravo@fresnocitycollege.edu](mailto:juan.bravo@fresnocitycollege.edu) (559) 442-4600

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Fresno City College	1,038	1101 E. University Fresno, CA 93741
<b>Total Employees in Facilities:</b>	<b>1,038</b>	
Export To Excel		Count: 1

**Annual Per Capita Disposal**

**Diversion Program Summary**

Total Tonnage Diverted: 375.9 → 1/1/05 - 6/30/05: 187.95  
 Total Tonnage Disposed: 304.7  
 Total Tonnage Generated: 680.6  
 Overall Diversion Percentage: 55.2%  
 7/1/05 - 12/31/05: 187.95  
375.9

**Employees**  
 Total Number of Employees: 1,038

**Non-Employee Population**  
 Total Number of Non-employees: 23,000  
 Non-employee Population Type: Visitors, inmates, etc

**Disposal**  
 Total amount Disposed: 304.70 tons

**Annual Results**

	Employee Population		Target Annual	
	Target	Annual	Target	Annual
Per Capita Disposal Rate (pounds/person/day):	0.00	1.60	0.00	0.07

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2005 - FRESNO CITY COLLEGE

**Questions**

Is the mission statement of the State agency/large State facility the same as reported in the previous year?

How has the waste stream (i.e. those materials disposed in landfills) changed since the Integrated Waste Management Plan was submitted? (Changes include kinds and quantities of materials disposed in landfills.)

We did have a slight change to certain areas. The total tonnage diverted were slightly lower than last year, but our disposed tonnage is lower which increased our total diversion percentage. In the Material Exchange area there was a reduction due to the upgrading of the text book buy back and purchasing procedures implemented at the campus bookstore. With the efficiency of the computer based program for ordering and minimizing the overage of book purchases. We also had an increase in our wood waste due to removal of shrubs and trees and construction debris.

Summarize what waste diversion programs were continued or newly implemented during the report year.

There were some areas that had some diversion which we have not captured in the past. We had totals submitted to us by our hauler and vendors in the newspaper and plastics categories. The wood waste was up from last year and should remain relatively similar for next year. All areas had amounts that were indicative of the source reductions which are continual on our campus.

How were the tonnages determined for the materials disposed and diverted? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)

All percentages and weights for this report are actual amounts recorded and submitted to the campus by our refuse hauler. The numbers for the recycling are amounts totaled by the beverage container companies that serve the campus.

What types of activities are included in each of the reported programs? (The following link of category definitions may assist you in answering this question.)

Source Reductions: In the Materials Exchange category the book buy backs were the only amounts calculated. There were no amounts for equipment and surplus auction items for this year. Recycling: The beverage containers amounts were up due the increase of vending machines and different types of items sold. The cardboard saw a slight reduction. Newspaper and plastics were collected by the Local Fresno Conservation Corp and recorded for this report. The office paper totals were down due to the increase of online usage. Once again we collected the old telephone books for recycling under the special events category. Composting: Xeriscaping and grasscycling remained the same. Special Waste: The wood waste category increased due to the collection of some construction debris. But there was much more wood from shrubbery and trees removed around construction sites. Overall some categories decreased but we did have some increases.

Has the State agency/large State facility adopted or changed its waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help meet the waste diversion goals?

There were other resources utilized this year for this report. We had the contractors on campus utilize our recycle containers for some of their debris. We had the Local Fresno Conservation Corp collect and submit totals for newspaper and plastics. The vending machines were upgraded to provide reusable containers for recycling purposes. The campus community is well aware of the drive to recycle and its impact to our city. Curbside recycling was mandated at all residents in our city this year and the education of recycling through advertisements and the media has assisted in awakening our students to realization that they can make a difference.

**Programs**

Program Name	Existing	Planned/Expanding	Tons
Material Exchange	X		22.5300
Beverage Containers	X		12.2600
Cardboard	X		19.4300
Newspaper	X		1.4800
Office Paper (white)	X		12.4300
Plastics	X		0.5000
Special Collection Events	X		1.3700
Xeriscaping, grasscycling	X		240.0000
Wood waste	X		65.9100

375.9 TONS  
DIVERTED, SEE  
PAGE 8

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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2006 - FRESNO CITY COLLEGE



State Agency Reporting Center: Waste Management Annual Report  
 2006 SARC Annual Report: Fresno City College

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

Physical Address  
 1101 E. University  
 Fresno, CA 93741

CalRecycle Representative  
 John Duke  
[John.Duke@CalRecycle.ca.gov](mailto:John.Duke@CalRecycle.ca.gov)  
 (916) 341-6712 x8746

Total Number of Employees including Facilities: 1,038

Recycling Coordinator: Juan Bravo [juan.bravo@fresnocitycollege.edu](mailto:juan.bravo@fresnocitycollege.edu) (559) 442-4600

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Fresno City College	1,038	1101 E. University Fresno, CA 93741
<b>Total Employees in Facilities:</b>	<b>1,038</b>	
Export To Excel		Count: 1

**Annual Per Capita Disposal**

**Diversion Program Summary**

Total Tonnage Diverted: 379.5 → 1/1/06 - 6/30/06 = 189.75  
 Total Tonnage Disposed: 310.0  
 Total Tonnage Generated: 689.5  
 Overall Diversion Percentage: 55.0%  
 7/1/06 - 12/31/06 = 189.75  
379.5

**Employees**  
 Total Number of Employees: 1,038

**Non-Employee Population**  
 Total Number of Non-employees: 23,000  
 Non-employee Population Type: Visitors, Inmates, etc

**Disposal**  
 Total amount Disposed: 310.00 tons

**Annual Results**

	Employee Population			
	Target	Annual	Target	Annual
Per Capita Disposal Rate (pounds/person/day):	0.00	1.60	0.00	0.07

**Questions**

Is the mission statement of the State agency/large State facility the same as reported in the previous year?

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2006 - FRESNO CITY COLLEGE

How has the waste stream (i.e. those materials disposed in landfills) changed since the Integrated Waste Management Plan was submitted? (Changes include kinds and quantities of materials disposed in landfills.)

This year we did not see many significant changes as our recycling program hits a plateau. A slight increase to the Beverage Containers was offset by a decrease in the Cardboard category. There was an increase to the Office Paper because of the inter-office moves due to building construction at our Student Services building. Staff and faculty utilized the temporary move to purge their files which caused the increase. There was a significant increase to the Woodwaste, which can also be attributed to campus construction projects. Some trees had to be trimmed after unexpected storms and this included removal of large broken branches.

Summarize what waste diversion programs were continued or newly implemented during the report year.

We had moderate increases that were countered by slight decreases. Our wood waste increase about 30% because of construction and the removal of large branches from storm damages. There could be increases to the wood waste next year as we continue the next phases of building upgrades and remodels. We began recycling the small flashlight batteries and stored and collected flourescent tubes for recycling and disposal. An outside organizaton contacted us for e-waste recycling, which we hope to assist with next year.

How were the tonnages determined for the materials disposed and diverted? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)

All weights and percentages are actual recorded amounts provided by our local refuge hauler. The amounts for beverage containers are provided by the beverage vendor contracted by the campus. ★

What types of activities are included in each of the reported programs? (The following link of category definitions may assist you in answering this question.)

Source Reduction: Under the Business Source Reduction we had a total of 528 telephone books turned in to Production for recycling. Recycling: Our Beverage Containers had a slight increase because of new placement of recycling containers. We moved several of our recycling containers to areas with more student traffic. The Cardboard decreased because of less purchases utilizing any cardboard packaging. The Office Paper increased because of perging of files in the Student Services building. Faculty and staff had to be moved to temporary locations while there was construction in their building. They could not take all their files with them so they had to recycle old records. Composting: Xeriscaping and grasscycling remained the same. Special Waste: The Wood waste category saw an increase as some storm damaged trees were removed. The new construction also helped bring the tonnage up.

Has the State agency/large State facility adopted or changed its waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help meet the waste diversion goals?

Our recycling proicess will be undergoing some changes for the next reporting year. We continued recycling in all categories and plan to increase some by next year. Our staffing to collect the recyclables remained the same but should increase next year. We hope to have a cardboard baler on line for next year's report, thus allowing us to realize some revenue. We will be locating our current trash compactor and green waste dumpster to a central location for better storage and collection. The purchase of a new trash compactor for the cafeteria will help us from having wet trash. This will decrease the weight the current trash compactor can hold, thus increasing the refuge compacted. The new trash compactor will be able to contain the liquids, which can be emptied before it is hauled to the land fill. ★

Programs			
Program Name	Existing	Planned/Expanding	Tons
Business Source Reduction	X		1.7600
Beverage Containers	X		13.7000
Cardboard	X		16.3000
Office Paper (white)	X		14.5300
Xeriscaping, grasscycling	X		240.0000
Wood waste	X		93.2000

} 379.5 TONS  
DIVERTED, SEE  
PAGE 10

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199



2007 - FRESNO CITY COLLEGE



State Agency Reporting Center: Waste Management Annual Report  
**2007 SARC Annual Report: Fresno City College**

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

Physical Address  
 1101 E. University  
 Fresno, CA 93741

CalRecycle Representative  
 John Duke  
[John.Duke@CalRecycle.ca.gov](mailto:John.Duke@CalRecycle.ca.gov)  
 (916) 341-6712 x8746

Total Number of Employees including Facilities: 1,038

Recycling Coordinator: Juan Bravo [juan.bravo@fresnocitycollege.edu](mailto:juan.bravo@fresnocitycollege.edu) (559) 442-4600

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Fresno City College	1,038	1101 E. University Fresno, CA 93741
<b>Total Employees in Facilities:</b>		<b>1,038</b>
Export To Excel		Count: 1

**Annual Per Capita Disposal**

**Diversion Program Summary**

Total Tonnage Diverted: 346.2 → 1/1/07 - 6/30/07 : 173.1  
 Total Tonnage Disposed: 326.8  
 Total Tonnage Generated: 673.0  
 Overall Diversion Percentage: 51.4%  
 7/1/07 - 12/31/07 : 173.1  
346.2

**Employees**  
 Total Number of Employees: 1,038

**Non-Employee Population**  
 Total Number of Non-employees: 23,000  
 Non-employee Population Type: Visitors, Inmates, etc

**Disposal**  
 Total amount Disposed: 326.80 tons

**Annual Results**

	Employee Population			
	Target	Annual	Target	Annual
Per Capita Disposal Rate (pounds/person/day):	0.00	1.70	0.00	0.08

**Questions**

Is the mission statement of the State agency/large State facility the same as reported in the previous year?

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2007 - FRESNO CITY COLLEGE

How has the waste stream (i.e. those materials disposed in landfills) changed since the Integrated Waste Management Plan was submitted? (Changes include kinds and quantities of materials disposed in landfills.)

This year we do have some changes in the total amounts in the Beverage Containers and Cardboard. We had a significant decrease in the Beverage containers but was more than made up in the Cardboard quantities. The Office Paper had a slight increase and the self-haul greenwaste was substantially lower this year. Last year we had increase of wood waste due to removal of damaged trees and clearing of shrubbery for construction. The amounts should remain the same for this coming year.

Summarize what waste diversion programs were continued or newly implemented during the report year.

There was an increase to the Cardboard because of an effort to collect and store it for recycling. We have purchased a cardboard bailer for palletizing the collected cardboard. Hopefully next year our totals should increase. So should our greenwaste, as we created a Recycling Yard where we moved our compactor for solid waste, our greenwaste 40 yard roll-off container, and the cardboard bailer are all centrally located. We have been bailing about 2 to 3 bails per week and have them picked up every other week.

How were the tonnages determined for the materials disposed and diverted? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)

All weights and percentages are actual recorded amounts provided by our refuse hauler. The amounts for beverage containers are provided by the beverage vendor contracted by the college.

What types of activities are included in each of the reported programs? (The following link of category definitions may assist you in answering this question.)

Recycling: Our beverage containers decreased this year and I can only attribute it to the various individuals that pull ht beverage containers out of the exterior trash receptacles. Since there is no measureable method of quantifying the amounts of recyclables carried off the campus. I searched for the conversion formula for those plastics bags of recyclables but could not find it. The cardboard had a considerable increase which could be due to our efforts to collect it for bailing. We did not start bailing until the end of the year, but we did save some until the bailer came on line. The office paper remained stable with a slight increase. Under special collection events the tonnage remained almost the same and will due to the number of telephone books we change out annually. In the Composting the xeriscaping and grasscycling remained the same. The special waste showed the wood waste a decrease from last year, but should remain stable for next year.

Has the State agency/large State facility adopted or changed its waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help meet the waste diversion goals?

As reported last year, we did construct a recycling yard where we have centrally located the cardboard bailer, trash compactor, and woodwaste roll-off container. The cardboard bailer has begun to give us a little revenue, but is minimal and still does not cover the cost of our program. The construction of the new area for the dock of our cafeteria has yet to be completed. The new self-contained compactor, which will hold the liquids until they are drained out, has been selected and we are waiting for the installation. It is a 20 yard compactor that will be used primarily for the cafeteria trash and food scraps. We hope to see an increase in tonnage as a result of being able to compact more trash per load. We are not certain the of the amount of tonnage will result from the new trash compactor.

Programs			
Program Name	Existing	Planned/Expanding	Tons
Beverage Containers	X		4.3700
Cardboard	X		29.7000
Office Paper (white)	X		15.8900
Special Collection Events	X		1.6500
Xeriscaping, grasscycling	X		240.0000
Self-haul greenwaste	X		54.6100

} 346.2 TONS  
DIVERTED, SEE  
PAGE 12

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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2008 - FRESNO CITY COLLEGE



**State Agency Reporting Center: Waste Management Annual Report  
2008 SARC Annual Report: Fresno City College**

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

**Alternative Name(s):** 64 State Center, State Center Community College District

**Physical Address**  
1101 E. University  
Fresno, CA 93741

**CalRecycle Representative**  
John Duke  
[John.Duke@CalRecycle.ca.gov](mailto:John.Duke@CalRecycle.ca.gov)  
(916) 341-6712 x8746

**Total Number of Employees including Facilities:** 1,038

**Recycling Coordinator:** Juan Bravo [juan.bravo@fresnocitycollege.edu](mailto:juan.bravo@fresnocitycollege.edu) (559) 442-4600

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Fresno City College	1,038	1101 E. University Fresno, CA 93741
<b>Total Employees in Facilities:</b>	<b>1,038</b>	
Export To Excel		Count: 1

Annual Per Capita Disposal				
<b>Employees</b>				
Total Number of Employees: 1,038				
<b>Non-Employee Population</b>				
Total Number of Non-employees: 23,000				
Non-employee Population Type: Students				
NO DIVERSION INFORMATION IS REPORTED BY DISTRICT				
<b>Disposal</b>				
Total amount Disposed: 338.00 tons				
<b>Annual Results</b>				
	<b>Employee Population</b>		<b>Student Population</b>	
	<u>Target</u>	<u>Annual</u>	<u>Target</u>	<u>Annual</u>
Per Capita Disposal Rate (pounds/person/day):	1.80	1.80	0.10	0.08

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2008 - FRESNO CITY COLLEGE

**Questions**

Is the mission statement of your State agency/large State facility the same as reported in the previous year?

What changes have there been in the waste generated or disposed by your State agency/large State facility during the report year? (For example, changes in types and/or quantities of waste.) Explain, to the best of your ability the causes for those changes.

There were no changes to the waste stream because we have reached the plateau of our recycling. The quantities of collection of our recyclables by others, who are not employees has increased and their efforts to recycle have doubled due to the economy. Since we do not have any student groups willing to take on the recycle programs, we have been stagnant over the past year.

Explain any changes to waste diversion programs that were continued from the prior report year. Be sure to indicate the reason for making the changes.

The only change to our programs were the hauling of the recycled cardboard to the MRF. We had to begin hauling our own cardboard bales because there was a service charge for pick-up. We currently do not make enough revenue from the cardboard to pay for the hauling by the recycle company. We are using our own vehicle and staff to haul the cardboard bales to the MRF. The cardboard bales have been the only change that was significant. We have leveled off and are baling 2 pallets of cardboard per week at an average weight of approximately 332.26 pounds per baled pallet. We hauled over half of the 53 bales with our campus truck to the recycle company.

Explain any waste diversion programs that were newly implemented or were discontinued during the report year and explain why.

The only newly implemented program was the draining of the liquids in the new compactor at the cafeteria. The new compactor has a liquid reservoir to collect the liquids squeezed out when it is compacted. The compactor had been installed in a hurry to get it running and the drain for the liquids was never connected. It is now working and we are not hauling excessive liquids with the compactor. The new compactor is being hauled off for emptying every 20 to 25 days. The old compactor was being hauled off approximately every 10 to 15 days.

What types of activities are included in each of the waste diversion programs you continued or newly implemented during the reporting year?

Source Reduction: Material Exchange We continue to have surplus auctions for the removal of old and obsolete equipment surplus. The auctions and equipment surplus is the process Maintenance uses to clean-up their storage yard on a bi-annual basis. The FCC Bookstore has their used book buy backs at the beginning of each semester and on Finals week. Salvage Yards: The Operations yard accumulates various type of metal beams, pipes, and miscellaneous items that are transported to the metal and iron recycling company. Some of the metal is left over from the surplus sales. Recycling: Beverage Containers All beverage containers that are sold on campus can be and are recycled when collected. There are several individuals that will pull out the beverage containers out of the exterior trash receptacles. One such individual recycles all she can recover and then applies it to a scholarship for needy students. Other individuals make their living utilizing the recyclables recovered on campus. Cardboard: We continue to bale our cardboard and palletize them for transport to the recycling company. Office Paper (White and Mixed) We have a 40 yard collection roll-off container with 4 separate compartments for the separating of the white and mixed paper. We have it hauled off approximately 6 times per year with an average weight of 3.49 tons per roll-off pick-up. Composting: Xeriscaping, grasscycling We continue to maintain the amounts of xeriscaping and grasscycling as in our previous annual reports.

What resources (staff and/or funds) did your State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help reduce disposal and meet the diversion mandate?

We began utilizing the new trash compactor at the cafeteria this year. The change of the old compactor to the new recycling yard has made a impact on the travel time for our trash pick-up route each morning. The new area has also helped the Grounds department with an area on campus for their green waste. In the past they had to haul their green waste to the Plant Facilities yard, which took too long because of vehicle traffic. Now the green waste is hauled to the recycling yard which keeps them away from the vehicle traffic. We had to add a student helper to flatten the cardboard for transport to the cardboard baler. He also assists with hauling the palletized bales of cardboard to the recycle company. This new process of hauling the cardboard bales has required a permanent employee and student helper to work on this process for approximately 2 to 3 hours per day.

Has your State agency/large State facility adopted or changed its waste reduction policy?

The only new policy we have initiated is the breaking down of cardboard for easier hauling to the cardboard baler. When ever there are new computers being installed in a building, the Media Center staff are required to flatten and stack the cardboard computer boxes for pick-up. We also require that anyone receiving a large quantity of cardboard must notify our department to make arrangements for pick-up.

Explain how you determined the reported tons disposed? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, etc.)

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All weights and percentages are actual recorded amounts provided by our refuse hauler. Any beverage amounts are provided by the contracted beverage vendor for the campus.

Please provide a definition of "employee" for your State agency/large State facility. Also, what is the source of the reported number of employees and visitors/students/inmates, etc. (as applicable)?

An employee of the campus is any individual working on campus that is being paid by the Payroll department. They could be a faculty, staff, classified member, and/or student hired to work at the college. The source of reported number of employees is the amount recorded with the Human Resources Personnel department. The Payroll department forwarded the amount as per the request for this report. The source for the student population amounts are provided by the Public Information office and the Office of Instruction.

**Programs**

Program Name	Existing	Planned/Expanding
Business Source Reduction	X	
Material Exchange	X	
Salvage Yards	X	
Beverage Containers	X	
Cardboard	X	
Office Paper (white)	X	
Office Paper (mixed)	X	
Scrap Metal	X	
Xeriscaping, grasscycling	X	
Food waste composting		X
White/brown goods	X	
Scrap Metal	X	
Wood waste	X	

NO TONNAGE AMOUNTS OF DIVERSION ARE REPORTED BY THE DISTRICT.

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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2009 - FRESNO CITY COLLEGE



State Agency Reporting Center: Waste Management Annual Report  
 2009 SARC Annual Report: Fresno City College

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

Physical Address  
 1101 E. University  
 Fresno, CA 93741

CalRecycle Representative  
 John Duke  
[John.Duke@CalRecycle.ca.gov](mailto:John.Duke@CalRecycle.ca.gov)  
 (916) 341-6712 x8746

Total Number of Employees including Facilities: 2,514

Recycling Coordinator: Juan Bravo [juan.bravo@fresnocitycollege.edu](mailto:juan.bravo@fresnocitycollege.edu) (559) 442-4600

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Fresno City College	2,514	1101 E. University Fresno, CA 93741
<b>Total Employees in Facilities:</b>	<b>2,514</b>	
Export To Excel		Count: 1

**Annual Per Capita Disposal**

**Employees**  
 Total Number of Employees: 2,514

**Non-Employee Population**  
 Total Number of Non-employees: 23,000  
 Non-employee Population Type: Students

**Disposal**  
 Total amount Disposed: 578.30 tons \*

**Annual Results**

	Employee Population		Student Population	
	Target	Annual	Target	Annual
Per Capita Disposal Rate (pounds/person/day):	1.80	1.30	0.10	0.14

**Questions**

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

(A) What are the major types of waste materials that your agency/facility currently disposes (not currently diverting), e.g., waste of significant weight and/or volume? If there are major waste materials that are being disposed, what is your agency/facility doing to find ways to divert these materials?

(B) Please explain any difficulties or obstacles your agency/facility encountered in trying to implement recycling or other programs to reduce the amount of waste disposed. Summarize any efforts your agency/facility made to resolve difficulties or overcome obstacles and if they were successful or not.

17/50

2009 - FRESNO CITY COLLEGE

A. There are no major types of waste material that we are not diverting. B. Currently there are funding issues to assist with the student groups that wish to collect, sort, and recycle. There will be meetings held with the student groups to initiate a new program to resolve the recycling issues. Hopefully by the next reporting period the student groups will have begun recycling and maintaining the program.

Waste generation includes both materials disposed in the trash as well as materials recycled or otherwise diverted from landfill. There are many reasons why the type or amount of waste generated by your agency/facility may have changed.

SELECT YES OR NO FROM THE DROP DOWN LIST BELOW. IF YOU SELECT YES, YOU MUST PROVIDE AN EXPLANATION IN THE TEXT BOX BELOW.

Do the types or amounts of wastes generated in the last calendar year significantly differ from those that were generated by your agency/facility in the prior report year? If yes, please explain.

The reason why, the type, or amount of waste generated by your agency/facility either may have increased or decreased. For example, construction activities at your agency or facility may increase construction-related wastes; budget cuts may result in cuts to the services your agency provides and, therefore, the related wastes are no longer generated; or a shift in how you do business may create a new type of waste.

If you had changes in the types or amounts of waste generated, then that may have affected the waste diversion programs you implemented. You will be asked in Question #3 about how your waste diversion programs may have changed.

SELECT YES OR NO FROM THE DROP DOWN LIST BELOW. IF YOU SELECT YES, YOU MUST PROVIDE AN EXPLANATION IN THE TEXT BOX BELOW.

Did you make any significant changes (during the report year) to the waste diversion programs implemented by your agency/facility (such as programs to reduce waste, reuse, recycle, compost, etc.)? For example, did you start new programs, discontinue prior programs, or make significant modifications to existing programs? If yes, in the text box below, please explain why you made the change(s).

Having an accurate and consistent measurement of trash disposal is important. The annual amount of trash disposed is one factor in the calculation to determine the annual per capita disposal for your agency/facility. CalRecycle considers this calculation, in addition to the waste reduction, recycling, and other waste diversion programs your agency/facility implemented, in determining compliance with statutory mandates.

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

(A) Explain how you determined the annual tons disposed by your agency for the report year (e.g. did you use actual disposal weights provided by a trash hauler, conduct a waste generation study, estimate using weight-to-volume conversions, etc.)

(B) Indicate if this is the same method used to determine tons disposed that was used for the prior report year. If not, please also explain the reason for the change.

A. The annual tonnage for our reports are provided by our refuse hauler and are the actual weights recorded for the year. B. The same method for reporting and recording the tonnage were used for the prior year of reporting.

Having an accurate and consistent method to count employees is also important. The number of employees is one factor in the calculation to determine the annual per capita disposal for your agency/facility. (If your agency submits a modified report, per capita disposal is not calculated, but the number of employees is important in verifying your eligibility to submit a modified report).

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

(A) Please explain how you determined the number of employees working for your agency (e.g. total number of full time employees; full time equivalents; total number of full and part time employees; etc.). This information is usually available from your human resources or payroll department.

(B) Indicate if you used the same method to determine the number of employees that was used for the prior report year. If not, please explain the reason for the change.

A. The amount of employees is determined by the recorded amounts taken by Human Resources Payroll department. In the past I have only recorded the full time employees, but this report I calculated the part time employees as well as the Adjunct Faculty. Adding the two other groups added to the Facility Information of Part I. Given the budget restraints, these numbers may increase or decrease as monies are available. B. The same method was used to determine last year's report. But this year there will be an increase, because I am reporting all employees that are part time.

If your agency/facility also has a non-employee population (such as students, visitors, inmates, residents, patients) that significantly contributes to waste generated, then there is a space provided to report that information in Part I - Facility Information. This information is in addition to your employee information - it does not replace it.

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

(A) If you reported a number for a non-employee population, please explain how you determined that number (e.g. full time equivalent students; average number of patients during the report year; etc.)

(B) Indicate if you used the same method that was used for the prior report year. If not, please explain the reason for the change.

If you are not given the option in Part I - Facility Information to report an additional population, but believe doing so would be valuable, or if you provided this in the past, but no longer wish to do so, please contact your CalRecycle representative to discuss the merits of adding or deleting this option from your report.

A. The reported employee population was determined by the amounts recored with the Human Resources Personnel department. The amount of non-employee population was determined by the recorded amount provided by the Public Information office and the Offic of Instruction at FCC. B. The same method was used to determine the population for last years report. The only difference would by the employee amounts will differ because all employees from the campus and sites are included.

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2009 - PRESNO CITY COLLEGE

For your agency/facility, if the annual per capita disposal for the current report year is more than the per capita disposal from the previous report year, then, to the best of your ability, please explain why there was an increase. (To find these numbers, click on "Current Year" under "Previous Year" under "View Report" in the left menu bar. These links display the report summary.)

The amount of tonnage may be up this year due to the increase of construction and clean-up we have had to do. This is the second year of the renovation of our Old Administration building and it will be opened in October 2010. During the year we were preparing for the Centennial Celebration and we have been busy cleaning and purging files, the grounds have been getting extra work done and the facilities has seen some new construction.

Additional information you wish to provide in your annual report.

Programs		
Program Name	Existing	Planned/Expanding
Business Source Reduction	X	
Material Exchange	X	
Salvage Yards	X	
Beverage Containers	X	
Cardboard	X	
Office Paper (white)	X	
Office Paper (mixed)	X	
Scrap Metal	X	
Xeriscaping, grasscycling	X	
Food waste composting	X	
White/brown goods	X	
Scrap Metal	X	
Wood waste	X	

NO TONNAGE AMOUNTS OF DIVERSION ARE REPORTED BY THE DISTRICT.

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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2010 - FRESNO CITY COLLEGE



State Agency Reporting Center: Waste Management Annual Report  
**2010 SARC Annual Report: Fresno City College**

[New Search](#) | [Agency Detail](#)

[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

**Physical Address**  
 1101 E. University  
 Fresno, CA 93741

**CalRecycle Representative**  
 John Duke  
[John.Duke@CalRecycle.ca.gov](mailto:John.Duke@CalRecycle.ca.gov)  
 (916) 341-6712 x8746

Total Number of Employees including Facilities: 2,514

Recycling Coordinator: Juan Bravo [juan.bravo@fresnocitycollege.edu](mailto:juan.bravo@fresnocitycollege.edu) (559) 442-4600

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Fresno City College	2,514	1101 E. University Fresno, CA 93741
<b>Total Employees in Facilities:</b>	<b>2,514</b>	
Export To Excel		Count: 1

Annual Per Capita Disposal				
<b>Employees</b>				
Total Number of Employees: 2,514				
<b>Non-Employee Population</b>				
Total Number of Non-employees: 23,000				
Non-employee Population Type: Students				
<b>Disposal</b>				
Total amount Disposed: 381.54 tons				
<b>Annual Results</b>				
	<u>Employee Population</u>		<u>Student Population</u>	
	<u>Target</u>	<u>Annual</u>	<u>Target</u>	<u>Annual</u>
Per Capita Disposal Rate (pounds/person/day):	1.80	0.80	0.10	0.09
<b>Questions</b>				

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2010 - PRESNO CITY COLLEGE

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A and B.

We would like to understand what is still being thrown away and help you find ways to increase recycling.

- A. Please describe the types of waste that are thrown away.
- B. What difficulties or obstacles have you had with finding ways to recycle these wastes?

A. We do not have any major types of waste materials that we are not diverting. B. We have met with the students that are interested in recycling on campus. The student groups are requesting that they get a stipend from the campus for their efforts to recycle. There are currently no funds for a stipend to the student groups. There are several non-employees and non-students that come through the campus and sort the recyclables out of our trash containers. There is an individual that has been granted Administrative authority to remove recyclables from interior lounges, offices, and exterior trash receptacles.

SELECT YES OR NO FROM THE DROP DOWN LIST BELOW. IF YOU SELECT YES, YOU MUST DESCRIBE IN THE TEXT BOX BELOW.

Were there any changes in your recycling/waste reduction programs during the report year? For example, did you start, discontinue, or make significant changes to your recycling/waste reduction programs?

IN THE TEXT BOX BELOW, PLEASE ANSWER THE FOLLOWING QUESTION.

If the per capita disposal for the current report year is greater than the per capita disposal from the previous report year, then, to the best of your ability, explain why there was an increase. (To find these numbers, look for "View Report" in the left menu and click either "Current Year" or "Previous Year" to display a report summary.)

No

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

In Section III, you entered total tons disposed (thrown away at a landfill) by your agency/facility during the report year. Having an accurate method to consistently calculate this number each year is important because it is used in the calculation to determine the report year per capita disposal for your agency/facility.

Examples of types of methods that may be used include, but are not limited to, conducting a waste generation study, using actual disposal weights provided by a trash hauler, or estimating using weight-to-volume conversions.

- A. Explain the method you, or the person that provided you with this number, used to calculate the total tons disposed. Please provide a detailed explanation of the method so that it could be used in the event someone else from your agency/facility had to produce the same number.
- B. Is this the same method used for last year's report? If not, explain the reason for the change.

A. The tonnage we report each year are actual tonnage reported to us from our refuse hauler. The weights are the actual weight disposed of or diverted. B. All of the prior year reports and tonnage recording are determined by the same method.

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

In Part I of this report, you entered the number of employees for your agency/facility. This information is usually available from your human resources or payroll department. Having an accurate method to consistently calculate this number each year is important because it is used in the calculation to determine the report year per capita disposal for your agency/facility.

(Note: If your agency submits a modified report, per capita disposal is not calculated, but the number of employees is important in verifying your continued eligibility to submit a modified report).

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

- A. Explain the method you, or the person that provided you with this number, used to calculate the number of employees (e.g. total number of full time employees, full time equivalents, total number of full and part time employees, etc.). Please provide a detailed explanation of the method so that it could be used in the event someone else from your agency/facility had to produce the same number.
- B. Is this the same method used for last year's report? If not, explain the reason for the change.

A. The method that I used to obtain the number of employees was to contact Human Resources Payroll Department for the exact numbers. The amounts were calculated by the number of paid employees. With the budgets as they are these numbers may increase or decrease over the course of a year. Fortunately we did not lose any employees due to the budget crisis. B. The method for obtaining the numbers of employees was used the same way last year.

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2010 - FRESNO CITY COLLEGE

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B. (Skip to the next question if you did not enter a non-employee population in Part I.)

NOTE: If there was not an option in Part I to report an additional population, but you believe doing so would be valuable, or if you provided this in the past, but no longer wish to do so, please contact your CalRecycle representative to discuss the merits of adding or deleting this option for future reports.

If your agency/facility also has a non-employee population (such as students, visitors, inmates, residents, patients, etc.) that significantly contributes to the waste your agency/facility creates, Part I of this report asks you for a number for that population. This information is in addition to your employee information - it does not replace it.

- A. Explain the method you (or the person that provided you with this number) used to calculate that number (e.g. full time equivalent students, average number of patients during the report year, etc.). Please provide a detailed explanation of the method so that it could be used in the event someone else from your agency/facility had to produce the same number.
- B. Is this the same method you used for last year's report? If not, explain the reason for the change.

A. The number of employees reported was determined by the amounts recorded with the Human Resources Personnel department. The non-employee population was recorded by the Public Information office and the Office of Instruction and provided for this report. B. The same method was used to determine the population of employees and non-employees.

Additional information you wish to provide in your annual report.

Our amounts of tonnage may have decreased due to the construction projects being completed. For next year's report the tonnage amounts may go up due to the construction starting back up for the renovation of the Old Administration Building. We are on Phase II of the renovations and it will not be completed for up to two years.

Programs		
Program Name	Existing	Planned/Expanding
Business Source Reduction	X	} NO TONNAGE AMOUNTS OF DIVERSION ARE REPORTED BY THE DISTRICT.
Material Exchange	X	
Salvage Yards	X	
Beverage Containers	X	
Cardboard	X	
Office Paper (white)	X	
Office Paper (mixed)	X	
Scrap Metal	X	
Xeriscaping, grasscycling	X	
Food waste composting	X	
White/brown goods	X	
Scrap Metal	X	
Wood waste	X	

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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2000 - REEDLEY COLLEGE



State Agency Reporting Center: Waste Management Annual Report  
2000 SARC Annual Report: Reedley College

[New Search](#) | [Agency Detail](#)

[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

Physical Address  
995 North Reed Avenue  
Reedley, CA 93654

CalRecycle Representative  
Jeff Watson  
[Jeff.Watson@CalRecycle.ca.gov](mailto:Jeff.Watson@CalRecycle.ca.gov)  
(916) 341-6612 x3309

Total Number of Employees including Facilities:0

Recycling Coordinator: James Burgess [jim.burgess@reedleycollege.edu](mailto:jim.burgess@reedleycollege.edu) (5596380) 309-3309

<b>Facilities</b>
No Facilities exist for this Agency

<b>Annual Per Capita Disposal</b>
<b>Diversion Program Summary</b>
Total Tonnage Diverted: 390.2 → 1/1/00 - 6/30/00 : 195.1
Total Tonnage Disposed: 1,197.6 7/1/00 - 12/31/00 : 195.1
Total Tonnage Generated: 1,587.8
Overall Diversion Percentage: 24.6%
<u>390.2</u>
<b>Questions</b>
What is the mission statement of the State agency/large State facility?
The mission of Reedley College is to offer an accessible, student-centered educational environment, which provides high-quality learning essential in meeting the challenges of a diverse, global community.
Based on the "State Agency Waste Reduction and Recycling Program Worksheet (Part III)," briefly describe the basic components of the waste stream and where these components are generated.
The major components of solid waste general at our campus are directly related to density of our student population. These components are paper products, food packaging products, and landscaping refuse. The paper products are generated in the classrooms, labs, and offices throughout the campus, food-packaging waste is mostly generated in the main dining area and the landscaping waste is generated throughout the exterior grounds.
Based on the worksheet (Part III), what is currently being done to reduce waste?
Currently our campus has identified the three main components of our waste stream and is using source reduction, diversion, and recycling, to reduce the total solid waste generated at our campus. Some examples of this are listed below. Paper Products: a. Utilize electronic forms. b. Utilize double-sided copies. c. Recycle. Food Packaging Products: a. Utilize reusable containers. b. Recycle. Landscaping Refuge: a. Xerscaping when replacing or adding plants. b. Grass cycling.

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Based on the worksheet (Part III), briefly describe the programs to be implemented to meet the 25 percent and 50 percent waste diversion goals. Please include a program implementation timeline.

Our college is currently utilizing electronic forms and this technology improves, our use will increase. We also have web site that is currently being improved to include items that would normally be printed material. With return of the majority of our students, faculty and staff in the fall, we will be able to develop a Waste Reduction Committee that will develop and implement programs meeting the waste diversion goals. Currently we are gathering information and developing basic goals for this committee. The committee will be made up of a diverse group of staff from all areas of the campus

Does the State agency/large State facility have a waste reduction policy? If so, what is it? See "Waste Reduction Policies and Procedures for State Agencies" for a sample waste reduction and recycling policy statement.

The adoption of a waste reduction policy will be the first item on the agenda for the Waste Reduction Committee.

Briefly describe what resources (staff and/or funds) the State agency/large State facility plans to commit toward implementing its integrated waste management plan, plus meeting the waste diversion goals outlined in Public Resource Code Section 42921.

Currently our organization utilizes Building Services staff to collect items to be recycled, and many cases our campus has made the practices involved in waste reduction part of the normal operation procedures. With the return of our students, faculty, and staff in the fall, we will be able to develop a Waste Reduction Committed that will develop and implement programs meeting the waste diversion goals. Currently we are gathering information and developing basic goals for this committee. The committee will be made up of a diverse group of staff from all areas of the campus.

This question applies only for State agencies submitting a modified IWMP: Briefly describe the waste diversion program activities currently in place.

Programs			
Program Name	Existing Planned/Expanding		Tons
Business Source Reduction	X	X	0.2100
Material Exchange	X		15.0000
Beverage Containers	X		0.0100
Cardboard	X		10.0000
Glass	X		10.0000
Office Paper (mixed)	X		70.0000
Plastics		X	0.0000
Scrap Metal	X		15.0000
Xeriscaping, grasscycling	X		152.0000
On-site composting/mulching		X	0.0000
Commercial pickup of compostables	X		40.0000
Tires	X		20.0000
Wood waste	X		20.0000
Concrete/asphalt/rubble (C&D)	X		35.0000
Rendering	X		3.0000

390.2 TONS  
DIVERTED, SEE  
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State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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State Agency Reporting Center: Waste Management Annual Report  
2001 SARC Annual Report: Reedley College

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

Physical Address  
995 North Reed Avenue  
Reedley, CA 93654

CalRecycle Representative  
Jeff Watson  
[Jeff.Watson@CalRecycle.ca.gov](mailto:Jeff.Watson@CalRecycle.ca.gov)  
(916) 341-6612 x3309

Total Number of Employees including Facilities:178

Recycling Coordinator: James Burgess [jim.burgess@reedleycollege.edu](mailto:jim.burgess@reedleycollege.edu) (5596380) 309-3309

Facilities

FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Reedley College	154	995 North Reed Ave Reedley, CA 93654
Madera North Center	11	30277 Avenue 12 Madera, CA 93638
Clovis North Center	10	390 West Fir Ave Clovis, CA 93611
Oakhurst North Center	3	40241 Highway 41, Building Site G Oakhurst, CA 93644
<b>Total Employees in Facilities:</b>	<b>178</b>	

Export To Excel

Count: 4

Annual Per Capita Disposal

Diversions Program Summary

Total Tonnage Diverted: 367.0

Total Tonnage Disposed: 1,100.0

Total Tonnage Generated: 1,467.0

Overall Diversion Percentage: 25.0%

→ 1/1/01 - 6/30/01 : 183.5  
 7/1/01 - 12/31/01 : 183.5  
367.0

Employees

Total Number of Employees:178

Non-Employee Population

Total Number of Non-employees:6,000

Non-employee Population Type:Visitors, Inmates, etc

Disposal

Total amount Disposed:1,100.00 tons

Annual Results

Employee Population

Target	Annual	Target Annual
		58

58  
75

Per Capita Disposal Rate (pounds/person/day): 0.00 33.90 0.00 1.00

**Questions**

Is the mission statement of the State agency/large State facility the same as reported in the Integrated Waste Management Plan?

How has the waste stream, i.e. those materials disposed in landfills, changed since the Integrated Waste Management Plan was submitted?

At this time the handling of materials in the same manner as stated in the plan.

What waste diversion programs are currently in place and what waste diversion programs were implemented in 2001 to meet the waste diversion goals?

Source Reduction Recycling Composting Special Waste

How were the amounts of materials disposed and diverted, that were entered into the Annual Report, determined (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)?

The most used tool utilized for determining our materials disposed and diverted is waste assessments.

What types of activities are included in each of the reported programs? For example does your agency Business Source Reduction include email, double-sided photocopying, reusing envelopes, etc.?

Source Reduction: Business Source Reduction Material Exchange Recycling: Cardboard Glass Newspapers Office paper (mixed) Scrap Metal Composting: Xeriscaping/grasscycling Commercial Pickup of Waste Special Waste: Tires Wood waste Concrete/asphalt/rubble (C&D) Rendering

Has the State agency/large State facility adopted or changed it's waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing it's Integrated Waste Management Plan in 2001 to help meet the waste diversion goals?

We are currently utilizing state funded student employment programs to support our program.

**Programs**

Program Name	Existing	Planned/Expanding	Tons
Business Source Reduction	X		2.5000
Material Exchange	X		18.0000
Beverage Containers		X	0.0000
Cardboard	X		11.0000
Glass	X		1.0000
Office Paper (mixed)	X		90.0000
Scrap Metal	X		15.0000
Xeriscaping, grasscycling	X		154.0000
Commercial pickup of compostables	X		41.0000
Tires	X		1.0000
Wood waste	X		18.0000
Concrete/asphalt/rubble (C&D)	X		12.0000
Rendering	X		3.5000

367.0 TONS  
DIVERTED, SEE  
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State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199



State Agency Reporting Center: Waste Management Annual Report  
**2003 SARC Annual Report: Reedley College**

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

**Alternative Name(s):** 64 State Center, State Center Community College District

**Physical Address**  
 995 North Reed Avenue  
 Reedley, CA 93654

**CalRecycle Representative**  
 Jeff Watson  
[Jeff.Watson@CalRecycle.ca.gov](mailto:Jeff.Watson@CalRecycle.ca.gov)  
 (916) 341-6612 x3309

**Total Number of Employees including Facilities:** 178

**Recycling Coordinator:** James Burgess [jim.burgess@reedleycollege.edu](mailto:jim.burgess@reedleycollege.edu) (5596380) 309-3309

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Reedley College	154	995 North Reed Ave Reedley, CA 93654
Madera North Center	11	30277 Avenue 12 Madera, CA 93638
Clovis North Center	10	390 West Fir Ave Clovis, CA 93611
Oakhurst North Center	3	40241 Highway 41, Building Site G Oakhurst, CA 93644
<b>Total Employees in Facilities:</b>	<b>178</b>	

Export To Excel Count: 4

Annual Per Capita Disposal			
<b>Diversion Program Summary</b>			
Total Tonnage Diverted: 406.4	→	1/1/03 - 6/30/03 :	203.2
Total Tonnage Disposed: 1,150.0		7/1/03 - 12/31/03 :	203.2
Total Tonnage Generated: 1,556.4			<u>406.4</u>
Overall Diversion Percentage: 26.1%			
<b>Employees</b>			
Total Number of Employees:	178		
<b>Non-Employee Population</b>			
Total Number of Non-employees:	6,000		
Non-employee Population Type: Visitors, Inmates, etc			
<b>Disposal</b>			
Total amount Disposed: 1,150.00 tons			
<b>Annual Results</b>			
	<u>Employee Population</u>		
	<u>Target</u>	<u>Annual</u>	<u>Target Annual</u>
Per Capita Disposal Rate (pounds/person/day):	0.00	35.40	0.00 1.05

(27) 60

**Questions**

Is the mission statement of the State agency/large State facility the same as reported in the previous year?

How has the waste stream (i.e. those materials disposed in landfills) changed since the Integrated Waste Management Plan was submitted? (Changes include kinds and quantities of materials disposed in landfills.)

The student managed recovery program implemented last year for the removal of recycle products from campus waste containers is still in place and working well. The students have located receptacles throughout the campus. This program has shown a reduction in the total tonnage of disposed waste.

Summarize what waste diversion programs were continued or newly implemented during the report year.

Many of the 2002 waste diversion programs (source reduction, recycling, organic management and special waste) are currently in place with great success. The component that contributes the most to the waste diversion program continues to be the utilization of electronic forms. The continued installation of hand blowers in high use restrooms and new construction projects along with the increase in the purchasing liquid cleaning products in 55-gallon drums continues to decrease the amount of paper products and the number of containers disposed in general waste. We are now investigating the use of reusable and recyclable food service products in or dining areas.

How were the tonnages determined for the materials disposed and diverted? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)

We continue to determined the tonnages of materials for disposed and diverted by utilizing waste assessments and in some cases actual disposal weights.

What types of activities are included in each of the reported programs? (The following link of category definitions may assist you in answering this question.)

The following activities have been newly implemented or were currently in place: Business Source Reduction: 1. Air Hand Dryers in high use restrooms and new construction. 2. Coreless toilet tissue. 3. Increased utilization of shop towels in Industrial Technology shops. 4. Limit all staff memos to a single copy per department. 5. On-line forms/documentations. 6. Increased e-mail communications. 7. Decreased the number of copies printed for various documents. 8. Doubled sided copying. 9. Service request orders Material Exchange: 1. Auctions 2. Donations of equipment/furniture to nonprofit organizations. 3. Used book buy backs

Has the State agency/large State facility adopted or changed its waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help meet the waste diversion goals?

We have installed a central receiving area (30'x30' fenced concrete slab) located in the center of the campus that is used as a collection point for recyclables. Over the past year, we have increased the students involved in recycling/diversion program. Besides having an assigned recycling coordinator, we utilize students that are funded through our financial aid programs to gather information and assist in the collection of recyclables.

**Programs**

Program Name	Existing	Planned/Expanding	Tons
Business Source Reduction	X	X	10.3500
Material Exchange	X	X	14.0000
Beverage Containers	X	X	0.0100
Cardboard	X		11.0000
Glass	X		5.0000
Office Paper (mixed)	X		75.0000
Scrap Metal	X		20.0000
Xeriscaping, grasscycling	X		152.0000
On-site composting/mulching		X	0.0000
Commercial pickup of compostables	X	X	40.0000
Tires	X		20.0000
Wood waste	X	X	20.0000
Concrete/asphalt/rubble (C&D)	X	X	35.0000
Rendering	X		4.0000
Other special waste		X	0.0000

406.4 TONS  
DIVERTED, SEE  
PAGE 27

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199





State Agency Reporting Center: Waste Management Annual Report  
 2004 SARC Annual Report: Reedley College

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

Physical Address  
 995 North Reed Avenue  
 Reedley, CA 93654

CalRecycle Representative  
 Jeff Watson  
[Jeff.Watson@CalRecycle.ca.gov](mailto:Jeff.Watson@CalRecycle.ca.gov)  
 (916) 341-6612 x3309

Total Number of Employees including Facilities: 178

Recycling Coordinator: James Burgess [jim.burgess@reedleycollege.edu](mailto:jim.burgess@reedleycollege.edu) (5596380) 309-3309

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Reedley College	154	995 North Reed Ave Reedley, CA 93654
Madera North Center	11	30277 Avenue 12 Madera, CA 93638
Clovis North Center	10	390 West Fir Ave Clovis, CA 93611
Oakhurst North Center	3	40241 Highway 41, Building Site G Oakhurst, CA 93644
<b>Total Employees in Facilities:</b>	<b>178</b>	
Export To Excel		Count: 4

Annual Per Capita Disposal

**Diversion Program Summary**

Total Tonnage Diverted: 632.8

Total Tonnage Disposed: 285.0

Total Tonnage Generated: 917.8

Overall Diversion Percentage: 68.9%

1/1/04 - 6/30/04 : 316.4

7/1/04 - 12/31/04 : 316.4

632.8

**Employees**

Total Number of Employees: 178

**Non-Employee Population**

Total Number of Non-employees: 6,000

Non-employee Population Type: Visitors, Inmates, etc

**Disposal**

Total amount Disposed: 285.00 tons

**Annual Results**

Employee Population

Target    Annual    Target Annual

29

62

Per Capita Disposal Rate (pounds/person/day): 0.00 8.80 0.00 0.26

**Questions**

Is the mission statement of the State agency/large State facility the same as reported in the previous year?

How has the waste stream (i.e. those materials disposed in landfills) changed since the Integrated Waste Management Plan was submitted? (Changes include kinds and quantities of materials disposed in landfills.)

The student managed recovery program implemented last year for the removal of recycle products from campus waste containers is still in place and working well. The students have increased the number of receptacles throughout the campus. This program continues to show a reduction in the total tonnage of disposed waste.

Summarize what waste diversion programs were continued or newly implemented during the report year.

The waste diversion programs (source reduction, recycling, organic management and special waste) are now proven, with the largest contributors continuing to be the utilization of electronic media and forms. The accounting of the materials and items diverted through the material exchange program is fast becoming one of the most valued waste diversion programs.

How were the tonnages determined for the materials disposed and diverted? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)

We continue to determine the tonnages of materials for disposed and diverted by utilizing waste assessments as defined in the weight conversion tables in the CWMB guide lines and in some cases actual disposal weights.

What types of activities are included in each of the reported programs? (The following link of category definitions may assist you in answering this question.)

The following activities have been recently implemented or were currently in place: Business Source Reduction: 1. Air Hand Dryers in high use restrooms and new construction. 2. Coreless toilet tissue. 3. Increased utilization of shop towels in Industrial Technology shops. 4. Limit all staff memos to a single copy per department. 5. On-line forms/documentations. 6. Increased e-mail communications. 7. Decreased the number of copies printed for various documents. 8. Doubled sided copying 9. Service request orders Material Exchange: 1. Auctions 2. Donations of equipment/furniture to nonprofit organizations. 3. Used book buy backs

Has the State agency/large State facility adopted or changed its waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help meet the waste diversion goals?

Besides having an assigned recycling coordinator, we utilize students that are funded through our financial aid programs to gather information and assist in the collection of recyclables.

**Programs**

Program Name	Existing	Planned/Expanding	Tons
Business Source Reduction	X		13.0000
Material Exchange	X		71.0000
Beverage Containers	X		0.2500
Cardboard	X		12.0000
Office Paper (mixed)	X		73.0000
Scrap Metal	X		30.0000
Xeriscaping, grasscycling	X		153.0000
On-site composting/mulching	X		169.5600
Commercial pickup of compostables	X		41.0000
Tires	X		1.0000
Wood waste	X		30.0000
Concrete/asphalt/rubble (C&D)	X		35.0000
Rendering	X		4.0000

632.8 TONS  
DIVERTED, SEE  
PAGE 29

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199



State Agency Reporting Center: Waste Management Annual Report  
**2005 SARC Annual Report: Reedley College**

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

Physical Address  
 995 North Reed Avenue  
 Reedley, CA 93654

CalRecycle Representative  
 Jeff Watson  
[Jeff.Watson@CalRecycle.ca.gov](mailto:Jeff.Watson@CalRecycle.ca.gov)  
 (916) 341-6612 x3309

Total Number of Employees including Facilities: 178

Recycling Coordinator: James Burgess [jim.burgess@reedleycollege.edu](mailto:jim.burgess@reedleycollege.edu) (5596380) 309-3309

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Reedley College	154	995 North Reed Ave Reedley, CA 93654
Madera North Center	11	30277 Avenue 12 Madera, CA 93638
Oakhurst North Center	3	40241 Highway 41, Building Site G Oakhurst, CA 93644
Clovis Center	10	390 W. Fir Avenue Clovis, CA, CA 93611
<b>Total Employees in Facilities:</b>	<b>178</b>	
Export To Excel		Count: 4

Annual Per Capita Disposal

**Diversion Program Summary**

Total Tonnage Diverted: 649.5

Total Tonnage Disposed: 283.0

Total Tonnage Generated: 932.5

Overall Diversion Percentage: 69.7%

→ 1/1/05 - 6/30/05 : 324.75  
 7/1/05 - 12/31/05 : 324.75  
649.5

**Employees**

Total Number of Employees: 178

**Non-Employee Population**

Total Number of Non-employees: 6,000

Non-employee Population Type: Visitors, Inmates, etc

**Disposal**

Total amount Disposed: 283.00 tons

**Annual Results**

Employee Population

	Target	Annual	Target	Annual
Per Capita Disposal Rate (pounds/person/day):	0.00	8.70	0.00	0.26

31

**Questions**

Is the mission statement of the State agency/large State facility the same as reported in the previous year?

How has the waste stream (i.e. those materials disposed in landfills) changed since the Integrated Waste Management Plan was submitted? (Changes include kinds and quantities of materials disposed in landfills.)

The campus managed recovery program implemented last year for the removal of recycle products from campus waste containers are still in place and continue to working well. We are continuing to increase the number of receptacles throughout the campus. This program continues to show a reduction in the total tonnage of disposed waste.

Summarize what waste diversion programs were continued or newly implemented during the report year.

The waste diversion programs (source reduction, recycling, organic management and special waste) are now proven, with the largest contributors continuing to be the utilization of electronic media and forms. The accounting of the materials and items diverted through the material exchange program is fast becoming one of the most valued waste diversion programs.

How were the tonnages determined for the materials disposed and diverted? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)

We continue to determine the tonnage of materials diverted by utilizing waste assessments as defined in the weight conversion tables in the CIWMB guidelines and in some cases actual weights. The method that we utilize in determining the weight of our general waste is by determining the weight of the dumpster when full by weighing it on a scale, and then monitoring the amount of waste in each container through out the year to determine a year the total.

What types of activities are included in each of the reported programs? (The following link of category definitions may assist you in answering this question.)

Business Source Reduction: 1. Hand air driers continue to be installed in new construction and we now have started a campus wide program of replicating existing paper towel units with electric units. 2. A new copy machine contract offers 90 percent of the machines on campus have two sided coping capabilities, along with in servicing of campus staff our reduction in copy paper should continue to decrease. 3. Our students are required to perform many of the normal tasks that had required the use of forms to now utilize on line documentation with either personal computers or units offered throughout the campus. Material Exchange: The utilization of the CWMB conversion chart has increased the amount and accuracy of the items sold through the auction process. In the past year, the campus has eliminated its exterior lockers and had the contractor salvage the units in lieu of taking them to a land fill.

Has the State agency/large State facility adopted or changed its waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help meet the waste diversion goals?

In addition to an assigned recycling coordinator, we utilize students and custodial staff to gather information and assist in the collection of recyclables.

**Programs**

Program Name	Existing	Planned/Expanding	Tons
Business Source Reduction	X		14.0000
Material Exchange	X		88.0000
Beverage Containers	X		1.0000
Cardboard	X		12.5000
Office Paper (mixed)	X		73.0000
Scrap Metal	X		28.0000
Xeriscaping, grasscycling	X		153.0000
On-site composting/mulching	X		170.0000
Commercial pickup of compostables	X		40.0000
Tires	X		1.0000
Wood waste	X		35.0000
Concrete/asphalt/rubble (C&D)	X		30.0000
Rendering	X		4.0000

649.5 TONS  
DIVERTED, SEE  
PAGE 31

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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State Agency Reporting Center: Waste Management Annual Report  
**2006 SARC Annual Report: Reedley College**

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

**Alternative Name(s):** 64 State Center, State Center Community College District

**Physical Address**  
 995 North Reed Avenue  
 Reedley, CA 93654

**CalRecycle Representative**  
 Jeff Watson  
[Jeff.Watson@CalRecycle.ca.gov](mailto:Jeff.Watson@CalRecycle.ca.gov)  
 (916) 341-6612 x3309

**Total Number of Employees including Facilities:** 178

**Recycling Coordinator:** James Burgess [jim.burgess@reedleycollege.edu](mailto:jim.burgess@reedleycollege.edu) (5596380) 309-3309

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Reedley College	154	995 North Reed Ave Reedley, CA 93654
Madera North Center	11	30277 Avenue 12 Madera, CA 93638
Oakhurst North Center	3	40241 Highway 41, Building Site G Oakhurst, CA 93644
Clovis Center	10	390 W. Fir Avenue Clovis, CA, CA 93611
<b>Total Employees in Facilities:</b>	<b>178</b>	

Export To Excel Count: 4

Annual Per Capita Disposal			
<b>Diversion Program Summary</b>			
Total Tonnage Diverted: 639.6	→	1/1/06 - 6/30/06 :	319.8
Total Tonnage Disposed: 284.0		7/1/06 - 12/31/06 :	319.8
Total Tonnage Generated: 923.6			<u>639.6</u>
Overall Diversion Percentage: 69.3%			
<b>Employees</b>			
Total Number of Employees: 178			
<b>Non-Employee Population</b>			
Total Number of Non-employees: 6,000			
Non-employee Population Type: Visitors, Inmates, etc			
<b>Disposal</b>			
Total amount Disposed: 284.00 tons			
<b>Annual Results</b>			
	<u>Employee Population</u>		
	<u>Target</u>	<u>Annual</u>	<u>Target Annual</u>
Per Capita Disposal Rate (pounds/person/day):	0.00	8.70	0.00 0.26

## Questions

Is the mission statement of the State agency/large State facility the same as reported in the previous year?

How has the waste stream (i.e. those materials disposed in landfills) changed since the Integrated Waste Management Plan was submitted? (Changes include kinds and quantities of materials disposed in landfills.)

This year we reviewed our existing recovery program and determined that the identification and removal recyclables from the main collection bins could enhance the program. On a regular bases the containers are viewed and either the recyclables are removed or a brief investigation is completed and practices are changed to curtail this activity. Along with this our city has contracted with a service to remove the paper products for recycling. This company has begun to offer alternative methods of collecting and handling our materials to be diverted or recycled. Next years annual report will better identify any of these changes.

Summarize what waste diversion programs were continued or newly implemented during the report year.

The diversion of equipment and material has once again proven to continue to be the most valued program. Along with this we have added a quality assurance component the program that has already assisted in the recycling programs productivity. In the source reduction area the use of electronic media has also shown a greater potential for growth, this is identified in the addition of forms and catalogs now available on our web site.

How were the tonnages determined for the materials disposed and diverted? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)

The guidelines established by the CIWMB continue to be the method utilized for determining most of the diverted weights, weights can be determined with actual recycling weights they are used. Waste assessment is utilized along with established guidelines for our farm programs.

What types of activities are included in each of the reported programs? (The following link of category definitions may assist you in answering this question.)

Business Sources Reduction Programs, the campus has moved away from single paper towels and installed roll towel dispensing machines in there place, the roll towel machines are adjusted of deliver just what is needed of properly dry hands. We also continue to install air hand dryers in new construction project and existing locations where electric is available. Material Exchange, the utilization of a public auction to create a means of reusing the surplus equipment that the campus creates every year is one of the most valued means of creating an income off of these types of items. Recycling, the participation of the campus student body in our program has increased by the number of students and organizations creating an environment of student awareness of the importance of our recycling program.

Has the State agency/large State facility adopted or changed its waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help meet the waste diversion goals?

We have determined that we will need a larger and more efficient location for our main collection area, this will use to meet the general growth of our campus and the ever growing recycling program. My administration has recently approved me to solicit the assistance of an architect in the development of this project. We continue to utilize student support for the majority of the manual labor and now have involved them in the management of the program including information gathering.

## Programs

Program Name	Existing	Planned/Expanding	Tons
Business Source Reduction	X		15.1000
Material Exchange	X		60.0000
Beverage Containers	X		1.5000
Cardboard	X		13.0000
Office Paper (mixed)	X		79.0000
Scrap Metal	X		32.0000
Xeriscaping, grasscycling	X		161.0000
On-site composting/mulching	X		170.0000
Commercial pickup of compostables	X		42.0000
Tires	X		1.0000
Wood waste	X		37.0000
Concrete/asphalt/rubble (C&D)	X		24.0000
Rendering	X		4.0000

639.6 TONS  
DIVERTED, SEE  
PAGE 33

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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State Agency Reporting Center: Waste Management Annual Report  
**2007 SARC Annual Report: Reedley College**

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Alternative Name(s): 64 State Center, State Center Community College District

**Physical Address**  
 995 North Reed Avenue  
 Reedley, CA 93654

**CalRecycle Representative**  
 Jeff Watson  
[Jeff.Watson@CalRecycle.ca.gov](mailto:Jeff.Watson@CalRecycle.ca.gov)  
 (916) 341-6612 x3309

Total Number of Employees including Facilities: 178

Recycling Coordinator: James Burgess [jim.burgess@reedleycollege.edu](mailto:jim.burgess@reedleycollege.edu) (5596380) 309-3309

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Reedley College	154	995 North Reed Ave Reedley, CA 93654
Madera North Center	11	30277 Avenue 12 Madera, CA 93638
Oakhurst North Center	3	40241 Highway 41, Building Site G Oakhurst, CA 93644
Clovis Center	10	390 W. Fir Avenue Clovis, CA, CA 93611
<b>Total Employees in Facilities:</b>	<b>178</b>	

Export To Excel Count: 4

Annual Per Capita Disposal	
<b>Diversion Program Summary</b>	
Total Tonnage Diverted: 586.7	→ 1/1/07 - 6/30/07: 293.35
Total Tonnage Disposed: 280.0	
Total Tonnage Generated: 866.7	7/1/07 - 12/31/07: 293.35
Overall Diversion Percentage: 67.7%	<u>586.7</u>
<b>Employees</b>	
Total Number of Employees: 178	
<b>Non-Employee Population</b>	
Total Number of Non-employees: 6,000	
Non-employee Population Type: Visitors, Inmates, etc	
<b>Disposal</b>	
Total amount Disposed: 280.00 tons	
<b>Annual Results</b>	
<b>Employee Population</b>	
<u>Target</u>	<u>Annual</u>
35	68

Per Capita Disposal Rate (pounds/person/day): 0.00 8.60 0.00 0.26

**Questions**

Is the mission statement of the State agency/large State facility the same as reported in the previous year?

How has the waste stream (i.e. those materials disposed in landfills) changed since the Integrated Waste Management Plan was submitted? (Changes include kinds and quantities of materials disposed in landfills.)

Following the review of our recovery program last year it was determined that the location of the recovery collection bins has greatly enhanced our program. With this highly visible collection bin student and public use has increased diverting more recyclables in to our program.

Summarize what waste diversion programs were continued or newly implemented during the report year.

The diversion of equipment and material continues to be the most valued program. Along with this we have a quality assurance component adds to the accuracy of the weight measurements. In the source reduction area the use of electronic media also shows growth, this was identified in the addition of forms and catalogs now available on our web site.

How were the tonnages determined for the materials disposed and diverted? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, or actual recycling weights)

The guidelines established by the CIWMB continue to be the method utilized for determining most of the diverted weights, weights can be determined with actual recycling weights they are used. Waste assessment is utilized along with established guidelines for our farm programs.

What types of activities are included in each of the reported programs? (The following link of category definitions may assist you in answering this question.)

Business Sources Reduction Programs, electronic media shows much room for growth and is belived to continue in that direction. Material Exchange, the utilization of a public auction to create a means of reusing the surplus equipment along with exchanging or trading in larger equipment for credit on maintenance and repairs on similar equipment. Recycling, the participation of the campus student body in our program continues to increased by the number and type of containers used.

Has the State agency/large State facility adopted or changed its waste reduction policy?

What resources (staff and/or funds) did the State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help meet the waste diversion goals?

The location of the site for a larger and more efficient location that can accommodate our need for a larger collection area has been determined. We hope to combine this project with our upcoming campus improvement projects.

**Programs**

Program Name	Existing	Planned/Expanding	Tons
Business Source Reduction	X		15.0000
Material Exchange	X		62.0000
Beverage Containers	X		1.7000
Cardboard	X		13.0000
Office Paper (mixed)	X		70.0000
Scrap Metal	X		39.0000
Xeriscaping, grasscycling	X		161.0000
On-site composting/mulching	X		170.0000
Self-haul greenwaste	X		12.0000
Commercial pickup of compostables	X		42.0000
Tires	X		1.0000

586.7 TONS  
DIVERTED, SEE  
PAGE 35

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
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**2008 SARC Annual Report: Reedley College**

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

**Physical Address**  
 995 North Reed Avenue  
 Reedley, CA 93654

**CalRecycle Representative**  
 Jeff Watson  
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 (916) 341-6612 x3309

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Recycling Coordinator: James Burgess [jim.burgess@reedleycollege.edu](mailto:jim.burgess@reedleycollege.edu) (5596380) 309-3309

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Oakhurst North Center	3	40241 Highway 41, Building Site G Oakhurst, CA 93644
Clovis Center	10	390 W. Fir Avenue Clovis, CA, CA 93611
<b>Total Employees in Facilities:</b>	<b>178</b>	

Export To Excel Count: 4

**Annual Per Capita Disposal**

**Employees**

Total Number of Employees: 178

**Non-Employee Population**

Total Number of Non-employees: 6,000

Non-employee Population Type: Students

NO DIVERSION INFORMATION  
 IS REPORTED BY DISTRICT.

**Disposal**

Total amount Disposed: 285.00 tons

**Annual Results**

	Employee Population		Student Population	
	Target	Annual	Target	Annual
Per Capita Disposal Rate (pounds/person/day):	14.20	8.80	0.40	0.26

**Questions**

# 2008 - REEDLEY COLLEGE

Is the mission statement of your State agency/large State facility the same as reported in the previous year?

What changes have there been in the waste generated or disposed by your State agency/large State facility during the report year? (For example, changes in types and/or quantities of waste.) Explain, to the best of your ability the causes for those changes.

Following the review of our recovery program last year it was determined that the location of the processing and staging for recyclables was not meeting our campuses needs. We now utilize a secure area that allows this processing to take place, we now utilize a secure area that allows this processing to take place without disruption. One of our Industrial Trades Programs now reports their recycling of tractor and farm equipments metals.

Explain any changes to waste diversion programs that were continued from the prior report year. Be sure to indicate the reason for making the changes.

The diversion of equipment and material continues to be the most valued program. Along with this we have a quality assurance component adds to the accuracy of the weight measurements. In the source reduction area the use of electronic media also shows growth, this was identified in the addition of forms and catalogs now available on our website. In addition to these continuing activities we are investigating the use of shop towels in areas other than shops. One new area is our art and clay sculpting departments.

Explain any waste diversion programs that were newly implemented or were discontinued during the report year and explain why.

The recycling collection method on our campus has a modification in its procedure. In order to supplement this activity in the summer months when student organizations are inactive we have selected students that remain on campus during the summer months to assist in this program.

What types of activities are included in each of the waste diversion programs you continued or newly implemented during the reporting year?

Business Sources Reduction Programs, electronic media shows much room for growth and is believed to continue in that direction, also we have incorporated both in our moving and storage of files and other similar materials the use of reusable boxes. Material Exchange, the utilization of a public auction to create a means of reusing the surplus equipment along with exchanging or trading in larger equipment for credit on maintenance and repairs on similar equipment. Recycling, the participation of the campus student body in our program continues to increased by the number and type of containers used.

What resources (staff and/or funds) did your State agency/large State facility commit toward implementing its Integrated Waste Management Plan during the report year to help reduce disposal and meet the diversion mandate?

The review and processing of last year's report and offsite training activities are the support given by the CWMB during last year's monitoring period.

Has your State agency/large State facility adopted or changed its waste reduction policy?

Explain how you determined the reported tons disposed? (e.g. waste assessments, per capita generation and extrapolation, actual disposal weights, etc.)

The guidelines established by the CIWMB continue to be the method utilized for determining most of the diverted weights, weights can be determined with actual recycling weights they are used. Waste assessment is utilized along with established guidelines for our farm programs.

Please provide a definition of "employee" for your State agency/large State facility. Also, what is the source of the reported number of employees and visitors/students/inmates, etc. (as applicable)?

The definition of an employee was utilized in the initial report as a person employed by the organization generating the CIWMB report. This number was derived through an accounting given by our human resources department.

## Programs

Program Name	Existing	Planned/Expanding
Business Source Reduction	X	
Material Exchange	X	
Salvage Yards		X
Beverage Containers	X	
Cardboard	X	
Office Paper (mixed)	X	
Scrap Metal	X	
Xeriscaping, grasscycling	X	
On-site composting/mulching	X	
Self-haul greenwaste	X	
Commercial pickup of compostables	X	
Tires	X	

NO TONNAGE AMOUNTS OF DIVERSION ARE REPORTED BY THE DISTRICT.

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199





State Agency Reporting Center: Waste Management Annual Report  
**2009 SARC Annual Report: Reedley College**

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

Alternative Name(s): 64 State Center, State Center Community College District

**Physical Address**  
 995 North Reed Avenue  
 Reedley, CA 93654

**CalRecycle Representative**  
 Jeff Watson  
[Jeff.Watson@CalRecycle.ca.gov](mailto:Jeff.Watson@CalRecycle.ca.gov)  
 (916) 341-6612 x3309

Total Number of Employees including Facilities:178

Recycling Coordinator: James Burgess [jim.burgess@reedleycollege.edu](mailto:jim.burgess@reedleycollege.edu) (5596380) 309-3309

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Reedley College	154	995 North Reed Ave Reedley, CA 93654
Madera North Center	11	30277 Avenue 12 Madera, CA 93638
Oakhurst North Center	3	40241 Highway 41, Building Site G Oakhurst, CA 93644
Clovis Center	10	390 W. Fir Avenue Clovis, CA, CA 93611
<b>Total Employees in Facilities:</b>	<b>178</b>	
Export To Excel		Count: 4

Annual Per Capita Disposal				
<b>Employees</b>				
Total Number of Employees:178				
<b>Non-Employee Population</b>				
Total Number of Non-employees:6,000				
Non-employee Population Type:Students				
<b>Disposal</b>				
Total amount Disposed:285.00 tons				
<b>Annual Results</b>				
	<u>Employee Population</u>		<u>Student Population</u>	
	<u>Target</u>	<u>Annual</u>	<u>Target</u>	<u>Annual</u>
Per Capita Disposal Rate (pounds/person/day):	14.20	8.80	0.40	0.26
<b>Questions</b>				

3972

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

(A) What are the major types of waste materials that your agency/facility currently disposes (not currently diverting), e.g., waste of significant weight and/or volume? If there are major waste materials that are being disposed, what is your agency/facility doing to find ways to divert these materials?

(B) Please explain any difficulties or obstacles your agency/facility encountered in trying to implement recycling or other programs to reduce the amount of waste disposed. Summarize any efforts your agency/facility made to resolve difficulties or overcome obstacles and if they were successful or not.

A) The current program diverts most of the waste leaving waste that is generally made up of disposable products that deliver food and drink. Our Food Services Department is currently eliminating plastic and paper plates and replacing them with reusable plates. Though out our campus we have started a program that all food containers will be disposed in designated receptacles. This will greatly decrease the cross contamination of recyclable trash in the same areas. B) One method of recycling we use on campus is working in alliance with campus clubs. This allows the collection of recyclable can and bottles to take place with limited expense. The problem with this the students that support this activity constantly transition out of our campus or have a change in their interests as other scholastic activities occur. This year we have received approval for a student worker that would be assigned the task of organizing this activity exclusively.

Waste generation includes both materials disposed in the trash as well as materials recycled or otherwise diverted from landfill. There are many reasons why the type or amount of waste generated by your agency/facility may have changed.

SELECT YES OR NO FROM THE DROP DOWN LIST BELOW. IF YOU SELECT YES, YOU MUST PROVIDE AN EXPLANATION IN THE TEXT BOX BELOW.

Do the types or amounts of wastes generated in the last calendar year significantly differ from those that were generated by your agency/facility in the prior report year? If yes, please explain.

The reason why, the type, or amount of waste generated by your agency/facility either may have increased or decreased. For example, construction activities at your agency or facility may increase construction-related wastes; budget cuts may result in cuts to the services your agency provides and, therefore, the related wastes are no longer generated; or a shift in how you do business may create a new type of waste.

If you had changes in the types or amounts of waste generated, then that may have affected the waste diversion programs you implemented. You will be asked in Question #3 about how your waste diversion programs may have changed.

SELECT YES OR NO FROM THE DROP DOWN LIST BELOW. IF YOU SELECT YES, YOU MUST PROVIDE AN EXPLANATION IN THE TEXT BOX BELOW.

Did you make any significant changes (during the report year) to the waste diversion programs implemented by your agency/facility (such as programs to reduce waste, reuse, recycle, compost, etc.)? For example, did you start new programs, discontinue prior programs, or make significant modifications to existing programs? If yes, in the text box below, please explain why you made the change(s).

Having an accurate and consistent measurement of trash disposal is important. The annual amount of trash disposed is one factor in the calculation to determine the annual per capita disposal for your agency/facility. CalRecycle considers this calculation, in addition to the waste reduction, recycling, and other waste diversion programs your agency/facility implemented, in determining compliance with statutory mandates.

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

(A) Explain how you determined the annual tons disposed by your agency for the report year (e.g. did you use actual disposal weights provided by a trash hauler, conduct a waste generation study, estimate using weight-to-volume conversions, etc.)

(B) Indicate if this is the same method used to determine tons disposed that was used for the prior report year. If not, please also explain the reason for the change.

A) WE CURRENTLY USE A MOTHOULD THAT UTILIZES THE PREMEASURED WEIGHT OF THE OUR DUMPSETER FULL AND THEN EMPTY AND THEM THE PREPORTION IN THE DUMPSER TO ESTIMATE THE WEIGHT OF THE WASTE. B) YES, THIS IS THE SAME METHOD UTILIZED LAST YEAR.

Having an accurate and consistent method to count employees is also important. The number of employees is one factor in the calculation to determine the annual per capita disposal for your agency/facility. (If your agency submits a modified report, per capita disposal is not calculated, but the number of employees is important in verifying your eligibility to submit a modified report).

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

(A) Please explain how you determined the number of employees working for your agency (e.g. total number of full time employees; full time equivalents; total number of full and part time employees; etc.). This information is usually available from your human resources or payroll department.

(B) Indicate if you used the same method to determine the number of employees that was used for the prior report year. If not, please explain the reason for the change.

A) On our campus we have a research manager that maintains this information ongoing for the many reports associated with our organization. B) Yes, we continue to us the same accounting method.

If your agency/facility also has a non-employee population (such as students, visitors, inmates, residents, patients) that significantly contributes to waste generated, then there is a space provided to report that information in Part I - Facility Information. This information is in addition to your employee information - it does not replace it.

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

(A) If you reported a number for a non-employee population, please explain how you determined that number (e.g. full time equivalent students; average number of patients during the report year; etc.)

# 2009 - REEDLEY COLLEGE

(B) Indicate if you used the same method that was used for the prior report year. If not, please explain the reason for the change.

If you are not given the option in Part 1 - Facility Information to report an additional population, but believe doing so would be valuable, or if you provided this in the past, but no longer wish to do so, please contact your [CalRecycle representative](#) to discuss the merits of adding or deleting this option from your report.

A) This number is made up from an average of students over a three year period. This method gives a value that identifies the number of students throughout the year of use. B)None

For your agency/facility, if the annual per capita disposal for the current report year is more than the per capita disposal from the previous report year, then, to the best of your ability, please explain why there was an increase. (To find these numbers, click on "Current Year" under "Previous Year" under "View Report" in the left menu bar. These links display the report summary.)

None

Additional information you wish to provide in your annual report.

## Programs

Program Name	Existing	Planned/Expanding
Business Source Reduction	X	
Material Exchange	X	
Salvage Yards		X
Other Sources	X	
Beverage Containers	X	
Cardboard	X	
Newspaper	X	
Office Paper (white)	X	
Office Paper (mixed)	X	
Scrap Metal	X	
Xeriscaping, grasscycling	X	
On-site composting/mulching	X	
Self-haul greenwaste	X	
Commercial pickup of compostables	X	
Tires	X	

NO TONNAGE AMOUNTS  
OF DIVERSION ARE  
REPORTED BY THE  
DISTRICT.

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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State Agency Reporting Center: Waste Management Annual Report  
**2010 SARC Annual Report: Reedley College**

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[Facilities](#) | [Annual Per Capita Disposal](#) | [Programs](#)

**Alternative Name(s):** 64 State Center, State Center Community College District

**Physical Address**  
 995 North Reed Avenue  
 Reedley, CA 93654

**CalRecycle Representative**  
 Jeff Watson  
[Jeff.Watson@CalRecycle.ca.gov](mailto:Jeff.Watson@CalRecycle.ca.gov)  
 (916) 341-6612 x3309

**Total Number of Employees including Facilities:**154

**Recycling Coordinator:** James Burgess [jim.burgess@reedleycollege.edu](mailto:jim.burgess@reedleycollege.edu) (5596380) 309-3309

Facilities		
FACILITY NAME	NUMBER OF EMPLOYEES	ADDRESS
Reedley College	154	995 North Reed Ave Reedley, CA 93654
<b>Total Employees in Facilities:</b>	<b>154</b>	
Export To Excel		Count: 1

Annual Per Capita Disposal				
<b>Employees</b>				
Total Number of Employees:154				
<b>Non-Employee Population</b>				
Total Number of Non-employees:5,547				
Non-employee Population Type:Students				
<b>Disposal</b>				
Total amount Disposed:272.00 tons				
<b>Annual Results</b>				
	<u>Employee Population</u>		<u>Student Population</u>	
	<u>Target</u>	<u>Annual</u>	<u>Target</u>	<u>Annual</u>
Per Capita Disposal Rate (pounds/person/day):	14.20	9.70	0.40	0.27

**Questions**

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A and B.

We would like to understand what is still being thrown away and help you find ways to increase recycling.

- A. Please describe the types of waste that are thrown away.
- B. What difficulties or obstacles have you had with finding ways to recycle these wastes?

A. Our program continues to divert waste mostly made up of products that deliver food and beverages. The current program has increased its effectiveness by allowing the combining of all office and classroom recyclables in to one collection container. This was accomplished through a combined effort with our recycling vendor and the campus. B. Now that we have the receptacles in place we have discovered the need for continuing the educating and informing the staff and students of the importance of recycling.

SELECT YES OR NO FROM THE DROP DOWN LIST BELOW. IF YOU SELECT YES, YOU MUST DESCRIBE IN THE TEXT BOX BELOW.

Were there any changes in your recycling/waste reduction programs during the report year? For example, did you start, discontinue, or make significant changes to your recycling/waste reduction programs?

A program that identified one container for non recyclables in offices and classrooms was implemented. With the implementation of this program we can now empty the majority of an areas trash containers directly into a mobile recycling bin that is then taken to a recycling containment area (no more double handling trash). Along with this we have greatly decreased the use of plastic trash bags and labor involved in the removing and reinstalling them.

IN THE TEXT BOX BELOW, PLEASE ANSWER THE FOLLOWING QUESTION.

If the per capita disposal for the current report year is greater than the per capita disposal from the previous report year, then, to the best of your ability, explain why there was an increase. (To find these numbers, look for "View Report" in the left menu and click either "Current Year" or "Previous Year" to display a report summary.)

None

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

In Section III, you entered total tons disposed (thrown away at a landfill) by your agency/facility during the report year. Having an accurate method to consistently calculate this number each year is important because it is used in the calculation to determine the report year per capita disposal for your agency/facility.

Examples of types of methods that may be used include, but are not limited to, conducting a waste generation study, using actual disposal weights provided by a trash hauler, or estimating using weight-to-volume conversions.

- A. Explain the method you, or the person that provided you with this number, used to calculate the total tons disposed. Please provide a detailed explanation of the method so that it could be used in the event someone else from your agency/facility had to produce the same number.
- B. Is this the same method used for last year's report? If not, explain the reason for the change.

A. The method of utilizing a premeasured container and the gross weight less the net weight give the tare weight, with this information we note the amount in of waste in the container (1/2 or full) and get our totals. B. This is the same method utilized on our campus as last year.

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

In Part I of this report, you entered the number of employees for your agency/facility. This information is usually available from your human resources or payroll department. Having an accurate method to consistently calculate this number each year is important because it is used in the calculation to determine the report year per capita disposal for your agency/facility.

(Note: If your agency submits a modified report, per capita disposal is not calculated, but the number of employees is important in verifying your continued eligibility to submit a modified report).

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B.

- A. Explain the method you, or the person that provided you with this number, used to calculate the number of employees (e.g. total number of full time employees, full time equivalents, total number of full and part time employees, etc.). Please provide a detailed explanation of the method so that it could be used in the event someone else from your agency/facility had to produce the same number.

B. Is this the same method used for last year's report? If not, explain the reason for the change.

A. On our campus we utilize a research manager that develops and maintains this information for a variety of reports. B. Our accounting method has not changed.

IN THE TEXT BOX BELOW, PLEASE PROVIDE ANSWERS TO A AND B. (Skip to the next question if you did not enter a non-employee population in Part I.)

NOTE: If there was not an option in Part I to report an additional population, but you believe doing so would be valuable, or if you provided this in the past, but no longer wish to do so, please contact your CalRecycle representative to discuss the merits of adding or deleting this option for future reports.

If your agency/facility also has a non-employee population (such as students, visitors, inmates, residents, patients, etc.) that significantly contributes to the waste your agency/facility creates, Part I of this report asks you for a number for that population. This information is in addition to your employee information - it does not replace it.

A. Explain the method you (or the person that provided you with this number) used to calculate that number (e.g. full time equivalent students, average number of patients during the report year, etc.). Please provide a detailed explanation of the method so that it could be used in the event someone else from your agency/facility had to produce the same number.

B. Is this the same method you used for last year's report? If not, explain the reason for the change.

A. The student population is determined using the number of students actively enrolled on our campus. B. Yes

Additional information you wish to provide in your annual report.

Not at this time.

**Programs**

Program Name	Existing	Planned/Expanding
Business Source Reduction		X
Material Exchange	X	
Salvage Yards	X	
Other Sources	X	
Beverage Containers	X	
Cardboard	X	
Glass	X	
Newspaper	X	
Office Paper (white)	X	
Office Paper (mixed)	X	
Plastics	X	
Scrap Metal	X	
Xeriscaping, grasscycling	X	
On-site composting/mulching	X	
Self-haul greenwaste	X	
Commercial pickup of compostables	X	
Tires	X	

NO TONNAGE AMOUNTS  
OF DIVERSION ARE  
REPORTED BY THE DISTRICT.

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>  
 Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199  
 Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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**Tab 5**

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**FILED / ENDORSED**  
MAY 29 2008  
*Christa Beebout*  
By Christa Beebout, Deputy Clerk

SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SACRAMENTO

STATE OF CALIFORNIA, DEPARTMENT,  
OF FINANCE, CALIFORNIA INTEGRATED  
WASTE MANAGEMENT BOARD,

Dept. 33

No. 07CS00355

Petitioners,

v.

RULING ON SUBMITTED MATTER

COMMISSION ON STATE MANDATES,

Respondent.

SANTA MONICA COMMUNITY COLLEGE  
DISTRICT, LAKE TAHOE COMMUNITY  
COLLEGE DISTRICT,

Real Parties in Interest.

In this mandate proceeding, the court must determine the extent to which the reimbursement of a California Community College under section 6 of article XIII B of the California Constitution for the costs that the College incurs in implementing a state-mandated integrated waste management plan pursuant to Public Resources Code section 42920 et seq. is subject to offset by cost savings realized and revenues received during implementation of the plan. For the reasons set forth below, the court determines that the college's reimbursement is subject to such offset.

1 BACKGROUND

2 Public Resources Code section 42920 et seq. was enacted to require each state  
3 agency to adopt and implement an integrated waste management plan (IWM plan) that would  
4 reduce solid waste, reuse materials whenever possible, recycle recyclable materials and procure  
5 products with recycled content in all agency offices and facilities. (Pub. Resources Code §  
6 42920, subd. (b). See Stats. 1999, ch. 764 (A.B. 75).) These statutory provisions require that  
7 each state agency, in implementing the plan, divert at least 25 percent of its solid waste from  
8 landfill disposal by January 1, 2002, and divert at least 50 percent of its solid waste from landfill  
9 disposal on and after January 1, 2004. (Pub. Resources Code § 42921.) Each agency must also  
10 submit an annual report to petitioner Integrated Waste Management Board summarizing its  
11 progress in reducing solid waste pursuant to Public Resources Code section 42921 and providing  
12 related information, including calculations of its annual disposal reduction.

13 Any cost savings realized as a result of the state agency's IWM plan must, to the  
14 extent feasible, be redirected to the plan to fund the implementation and administrative costs of  
15 the plan in accordance with Public Contract Code sections 12167 and 12167.1. (Pub. Resources  
16 Code § 42925, subd. (a).) Public Contract Code sections 12167 and 12167.1 are part of the State  
17 Assistance for Recycling Markets Act, which was originally enacted in 1989 for the purpose of  
18 fostering the procurement and use of recycled paper products and other recycled resources in  
19 daily state operations (See Pub. Contract Code §§ 12153, 12160; Stats. 1989, ch. 1094.) As  
20 amended in 1992, sections 12167 and 12167.1 provide for the deposit of revenues received from  
21 the collection and sale of recyclable materials in state and legislative offices in specified accounts  
22 for the purpose of offsetting recycling costs; revenues not exceeding \$2000 annually are  
23 continuously appropriated without regard to fiscal years for expenditure by state agencies to  
24 offset the recycling costs; and revenues exceeding \$2000 annually are available for expenditure  
25 by the state agencies upon appropriation by the Legislature.

26 The IWM plan requirements under Public Resources Code section 42920 et seq.  
27 apply to the California Community Colleges pursuant to Public Resources Code sections 40148  
28 and 40196, which include California Community Colleges and their campuses in the definitions

1 of "large state facility" and "state agency" for purposes of IWM plan requirements. The  
2 provisions of the State Assistance for Recycling Markets Act, including the provisions of Public  
3 Contract Code sections 12167 and 12167.1, apply to California Community Colleges only to the  
4 limited extent that sections 12167 and 12167.1 are referenced in Public Resources Code section  
5 42925; California Community Colleges are not defined as state agencies or otherwise subject to  
6 the Act's provisions for the procurement and use of recycled products in daily state operations.

7 For purposes of section 6 of article XIII B of the California Constitution and the  
8 statutes implementing section 6 (Gov. Code § 17500 et seq.), California Community Colleges are  
9 defined as school districts and treated as local governments eligible for reimbursement of any  
10 state-mandated costs that they incur in carrying out statutory IWM plan requirements. (See Gov.  
11 Code §§ 17514, 17519.) Section 6 and Government Code section 17514 provide for the  
12 reimbursement of a local government's increased costs of carrying out new programs or higher  
13 levels of service that are mandated by the state pursuant to a statute enacted on or after January 1,  
14 1975, or an executive order implementing a statute enacted on or after January 1, 1975. Such  
15 reimbursement is precluded pursuant to Government Code section 17556, subdivision (e), if the  
16 statute or executive order provides for offsetting savings that result in no net costs to the local  
17 government or includes additional revenue specifically intended to fund the costs of the state  
18 mandated program in an amount sufficient to cover the costs.

19 Real parties in interest Santa Monica Community College District and Tahoe  
20 Community College District sought section 6 reimbursement of their IWM plan costs pursuant to  
21 Public Resources Code section 42920 et seq. by filing a test claim with respondent pursuant to in  
22 March 2001. (Administrative Record, pp. 51-74 (AR 51-93). See Gov. Code § 17550 et seq.)  
23 Respondent adopted a statement of decision granting the test claim in part on March 25, 2004  
24 (AR 1135-1176), after receiving and considering public comments on the test claim, including  
25 comments from petitioners opposing the claim. (AR 351-356, 359-368.) Respondent found that  
26 specified IWM plan requirements under Public Resources Code section 42920 et seq. imposes a  
27 reimbursable state-mandated program on California Community Colleges within the meaning of  
28 section 6 and Government Code section 17514. Respondent further found that the requirement

1 of Public Resources Code section 42925, that cost savings realized as a result of an IWM plan be  
2 redirected to plan implementation and administrative costs, did not preclude a reimbursable  
3 mandate pursuant to subdivision (e) of Government Code section 17556 because there was  
4 neither evidence of offsetting savings that would result in "no net costs" to a California  
5 Community College implementing an IWM plan nor evidence of revenues received from plan  
6 implementation "in an amount sufficient to fund" the cost of the state-mandated program.  
7 Respondent noted that the \$2000 in revenue available annually to a community college pursuant  
8 to Public Contract Code section 12167.1 would be insufficient to offset the college's costs of  
9 plan implementation and that any revenues would be identified as offsets in the parameters and  
10 guidelines to be adopted for reimbursement of claims by California Community Colleges for the  
11 IWM plan mandates imposed by Public Resources Code section 42920 et seq.

12           Thereafter, on March 30, 2005, respondent adopted parameters and guidelines  
13 pursuant to Government Code section 17556 based on a proposal by real parties and public  
14 comments, including comments by petitioners. (AR 1483-1496.) Section VII of the parameters  
15 and guidelines, concerning offsetting revenues and reimbursements, indicates that a claim by a  
16 California Community College for reimbursement of costs incurred in implementing an IWM  
17 plan must identify and deduct from the claim all reimbursement received from any source for the  
18 mandate. Section VII further indicates that the revenues specified in Public Resources Code  
19 section 42925 and Public Contract Code sections 12167 and 12167.1 must offset the costs  
20 incurred by a California Community College for the recycling mandated by Public Resources  
21 Code section 42920 et seq. These offsetting revenues include, pursuant to section 12167.1,  
22 revenues up to \$2000 annually from the college's sale of recyclable materials which are  
23 continuously appropriated for expenditure by the college to offset its recycling costs and  
24 revenues in excess of \$2000 annually when appropriated by the Legislature.

25           In adopting section VII of the parameters and guidelines, respondent rejected the  
26 position of petitioner Integrated Waste Management Board that the parameters and guidelines  
27 should require California Community Colleges to identify in their reimbursement claims any  
28 offsetting savings in reduced or avoided landfill disposal costs likely to result from their

1 diversion of solid waste from landfills pursuant to the mandates of Public Resources Code  
2 section 42921. (AR 1194-1199.) This rejection was based on three grounds: that "cost savings"  
3 in Public Resources Code section 42925 meant "revenues" received and directed "in accordance  
4 with Sections 12167 and 12167.1 of the Public Contract Code"; reduced or avoided disposal  
5 costs could not qualify as offsetting cost savings for the diversion costs because the disposal  
6 costs had not previously been reimbursed by the state and were not included in the reimbursable  
7 mandates of Public Resources Code section 42920 et seq.; and the redirection of cost savings to  
8 IWM plan implementation and administration costs under section 42925 was "only to the extent  
9 feasible" and not mandatory, thus allowing a California Community College to redirect cost  
10 savings to other campus programs upon a finding that it was not feasible to use the savings for  
11 IWM plan implementation. (AR 98-1199.) On these grounds, respondent omitted from section  
12 VII of the parameters and guidelines any language about offsetting savings, including a  
13 boilerplate provision stating "Any offsetting savings the claimant experiences in the same  
14 program as a result of the same statutes or executive orders found to contain the mandate shall be  
15 deducted from the costs claimed."

16 On October 26, 2006, respondent adopted a statewide cost estimate for the  
17 reimbursement of costs incurred by California Community Colleges in implementing IWM plan  
18 mandates pursuant to Public Resources Code section 42920 et seq. (AR 1641-1650.)  
19 Respondent noted comments by petitioners that the lack of a requirement in the parameters and  
20 guidelines for information on offsetting cost savings by the community colleges had resulted in  
21 an inaccurate Statewide Cost Estimate. (AR 1647.) A request by petitioner Integrated Waste  
22 Management Board to amend the parameters and guidelines to include additional information  
23 about offsetting savings was distributed for public comment. (AR 1647-1648, 1859-873.)

#### 24 ANALYSIS

25 Section 6 of article XIII B of the California Constitution, as implemented by  
26 Government Code section 17514, provides for the reimbursement of actual increased costs  
27 incurred by a local government or school district in implementing a new program or higher level  
28 of service of an existing program mandated by statute, such as the IWM plan requirements of

1 Public Resources Code section 42920 et seq. (See *County of Fresno v. State of California* (1991)  
2 51 Cal.3d 482, 487; *County of Sonoma v. Commission on State Mandates*, (2000) 84 Cal.App.4th  
3 1264, 1283-1284.) Reimbursement is not available under section 6 and section 17514 to the  
4 extent that the local government or school district is able to provide the mandated program or  
5 increased service level without actually incurring increased costs. (*Ibid.*) For example,  
6 reimbursement is not available if the statute mandating the new program or increased service  
7 level provides for offsetting savings which result in no net costs to the local government or  
8 school district or includes revenues sufficient to fund the state mandate. (See Gov. Code §  
9 17556, subd. (e). See also Cal. Code Regs., tit. 2, § 1183.1(a)(7), (a)(8) (requiring parameters  
10 and guidelines for claiming reimbursable costs to identify offsetting revenues and savings  
11 resulting from implementation of state-mandated program).) Because section VII of the IWM  
12 plan parameters and guidelines adopted by respondent do not require a California Community  
13 College to identify and deduct offsetting cost savings from its claimed reimbursable costs and  
14 unduly limit the deduction of offsetting revenues, section VII contravenes the rule of section 6  
15 and section 17514 that only actual increased costs of a state mandate are reimbursable.<sup>1</sup>

16 Cost Savings

17 In complying with the mandated solid waste diversion requirements of Public  
18 Resources Code section 42921, California Community Colleges are likely to experience cost  
19 savings in the form of reduced or avoided costs of landfill disposal. The reduced or avoided  
20 costs are a direct result and an integral part of the IWM plan mandates under Public Resources  
21 Code section 42920 et seq.: as solid waste diversion occurs, landfill disposal of the solid waste  
22 and associated landfill disposal costs are reduced or avoided. Indeed, diversion is defined in  
23 terms of landfill disposal for purposes of the IWM plan mandates. (See Pub. Resources Code §§  
24 40124 (“diversion’ means activities which reduce or eliminate the amount of solid waste from  
25 solid waste disposal for purposes of this division [i.e., division 30, including § 42920 et seq.]”),

26  
27 <sup>1</sup> There is no indication in the administrative record or in the legal authorities provided to the court that, as  
28 respondent argues, a California Community College might not receive the full reimbursement of its actual increased  
costs required by section 6 if its claims for reimbursement of IWM plan costs were offset by realized cost savings  
and all revenues received from plan activities.

1 40192, subd. (b) (for purposes of Part 2 (commencing with Section 40900), 'disposal' means the  
2 management of solid waste through landfill disposal or transformation at a permitted solid waste  
3 facility.''.)

4           Such reduction or avoidance of landfill fees and costs resulting from solid waste  
5 diversion activities under § 42920 et seq. represent savings which must be offset against the costs  
6 of the diversion activities to determine the reimbursable costs of IWM plan  
7 implementation -- i.e., the actual increased costs of diversion -- under section 6 and section  
8 17514. Similarly, under Public Resources Code section 42925, such offsetting savings must be  
9 redirected to fund IWM plan implementation and administration costs in accordance with Public  
10 Contract Code section 12167. The amount or value of the savings may be determined from the  
11 calculations of annual solid waste disposal reduction or diversion which California Community  
12 Colleges must annually report to petitioner Integrated Waste Management Board pursuant to  
13 subdivision (b)(1) of Public Resources Code section 42926.

14           Respondent's three grounds for omitting offsetting savings from section VII of the  
15 IWM plan parameters and guidelines are flawed. First, as explained above, the reduced or  
16 avoided costs of landfill disposal are an integral part of the IWM diversion mandates under  
17 Public Resources Code section 42920 et seq. Therefore, respondent's conclusion that reduced or  
18 avoided disposal costs could not qualify as offsetting cost savings for diversion costs, based on  
19 the erroneous premise that the reduced or avoided disposal costs were not part of the  
20 reimbursable mandates of Public Resources Code section 42920 et seq., is wrong.

21           Second, respondent incorrectly interpreted the phrase "to the extent feasible" in  
22 Public Resources Code section 42925 to mean that the redirection of cost savings resulting from  
23 diversion activities by California Community Colleges to fund their IWM plan implementation  
24 and administration costs was not mandatory and that the colleges could direct the cost savings to  
25 other campus programs upon a finding of infeasibility. Respondent's interpretation is contrary to  
26 the manifest legislative intent and purpose of section 42925, that cost savings be used to fund  
27 IWM plan costs. In light of this legislative purpose, the phrase "to the extent feasible"  
28 reasonably refers to situations where, as a practical matter, the reductions in landfill fees and



1 costs saved as a result of diversion activities by the colleges may not be available for redirection.  
2 For example, a college may not have budgeted or allocated funds for landfill fees and costs  
3 which they did not expect to incur as a result of their diversion activities.

4 Third, respondent incorrectly interpreted "cost savings realized as a result of the state  
5 agency integrated waste management plan" in Public Resources Code section 42925 to mean  
6 "revenues received from [a recycling] plan and any other activity involving the collection and  
7 sale of recyclable materials" under Public Contract Code sections 12167 and 12167.1. This  
8 interpretation, based in turn on a strained interpretation of the phrase "in accordance with  
9 Sections 12167 and 12167.1 of the Public Contract Code" at the end of section 42925, used the  
10 substantive content of sections 12167 and 12167.1 to redefine "cost savings" in a manner directly  
11 contradicting its straightforward description in section 42925. The consequences of this  
12 redefinition are unreasonable: the interpretation effectively denies the existence of cost savings  
13 resulting from IWM plan implementation and eliminates any possibility of redirecting such cost  
14 savings to fund IWM plan implementation and administration costs, thereby defeating the  
15 express legislative purpose of section 42925.

16 The reference to Public Contract Code sections 12167 and 12167.1 in Public  
17 Resources Code section 42925 may be reasonably interpreted in a manner that preserves section  
18 42925's straightforward description of "cost savings" and legislative purpose. The reference to  
19 sections 12167 and 12167.1 in section 42925 reflects an effort by the Legislature to coordinate  
20 the procedures of two programs involving recycling activities exclusively or primarily by state  
21 agencies, the State Assistance for Recycling Markets Act set forth at Public Contracts Code  
22 section 12150 et seq. and the IWM provisions of Public Resources Code section 42920 et seq.  
23 (See Senate Committee on Environmental Quality, Bill Analysis of A.B. 75, 1999-2000 Reg.  
24 Sess., as amended April 27, 1999, p. 6 (need to ensure consistency and avoid conflicts between  
25 A.B. 75 and Public Contract Code provisions relating to state agency reporting on recycling,  
26 depositing revenues from recycled materials etc.)) By requiring the redirection of cost savings  
27 from state agency IWM plans to fund plan implementation and administration costs "in  
28 accordance with Sections 12167 and 12167.1 of the Public Contract Code," section 42925

1 assures that cost savings realized from state agencies' IWM plans are handled in a manner  
2 consistent with the handling of revenues received from state agencies' recycling plans under the  
3 State Assistance for Recycling Markets Act. Thus, in accordance with section 12167, state  
4 agencies, along with California Community Colleges which are defined as state agencies for  
5 purposes of IWM plan requirements in Public Resources Code section 42920 et seq. (Pub.  
6 Resources Code §§ 40196, 40148), must deposit cost savings resulting from IWM plans in the  
7 Integrated Waste Management Account in the Integrated Waste Management Fund; the funds  
8 deposited in the Integrated Waste Management Account, upon appropriation by the Legislature,  
9 may be expended by the Integrated Waste Management Board for the purpose of offsetting IWM  
10 plan costs. In accordance with section 12167.1 and notwithstanding section 12167, cost savings  
11 from the IWM plans of the agencies and colleges that do not exceed \$2000 annually are  
12 continuously appropriated for expenditure by the agencies and colleges for the purpose of  
13 offsetting IWM plan implementation and administration costs; cost savings resulting from IWM  
14 plans in excess of \$2000 annually are available for such expenditure by the agencies and colleges  
15 when appropriated by the Legislature.

16 Accordingly, respondent had no proper justification for omitting offsetting cost  
17 savings from the parameters and guidelines for claiming reimbursable costs of IWM plan  
18 implementation under Public Resources Code section 42920 et seq. The court will order the  
19 issuance of a writ of mandate requiring respondent to correct this omission through an  
20 amendment of the parameters and guidelines.

21 Revenues

22 As indicated previously in this ruling, section VII of the parameters and guidelines  
23 for claiming reimbursement of IWM plan costs provides for offsetting revenues that are governed  
24 by Public Contract Code sections 12167 and 12167.1. Revenues derived from the sale of  
25 recyclable materials by a California Community College are deposited in the Integrated Waste  
26 Management Account. Revenues that do not exceed \$2000 annually are continuously  
27 appropriated for expenditure by the college for the purpose of offsetting recycling program costs  
28 upon approval by the Integrated Waste Management Board, and revenues exceeding \$2000

1 annually are available for such expenditure by the college when appropriated by the Legislature.  
2 To the extent so approved by the board or appropriated by the Legislature, these revenue amounts  
3 offset or reduce the reimbursable costs incurred by the college in implementing an IWM plan  
4 under Public Resources Code section 42920 et seq.

5 Although Public Contract Code sections 12167 and 12167.1 apply to California  
6 Community Colleges for the purpose of offsetting savings pursuant to the terms of Public  
7 Resources Code section 42925, sections 12167 and 12167.1 do not apply to the colleges for the  
8 purpose of offsetting revenues or, indeed, any other purpose. Sections 12167 and 12167.1 apply  
9 exclusively to state agencies and institutions; the colleges, which are school districts rather than  
10 state agencies, are not specially defined as state agencies for purposes of the State Assistance for  
11 Recycling Markets Act of which sections 12167 and 12167.1 are a part. Therefore, sections  
12 12167 and 12167.1 do not properly govern the revenues generated by the colleges' recycling  
13 activities pursuant to their IWM plans. The limits and conditions placed by sections 12167 and  
14 12167.1 on the expenditure of recycling revenues for the purpose of offsetting recycling program  
15 costs are simply inapplicable to the revenues generated by the colleges' recycling activities.

16 The provisions of Public Resources Code section 42920 et seq. do not address the  
17 use of revenues generated by recycling activities of California Community Colleges under IWM  
18 plans to offset reimbursable plan costs. Thus, use of the revenues to offset reimbursable IWM  
19 plan costs is governed by the general principles of state mandates, that only the actual increased  
20 costs of a state-mandated program are reimbursable and, to that end, revenues provided for by the  
21 state-mandated program must be deducted from program costs. (See Cal. Const., art. XIII B, § 6;  
22 Gov.Code §§ 17514, 17556, subd. (e); *County of Fresno v. State of California* (1991) 51 Cal.3d  
23 482, 487; *County of Sonoma v. Commission on State Mandates*, (2000) 84 Cal.App.4th 1264,  
24 1284.) These principles are reflected in respondent's regulation which requires, without  
25 limitation or exception, the identification of offsetting revenues in the parameters and guidelines  
26 for reimbursable cost claims. (Cal. Code Regs., tit. 2, § 1183.1(a)(7).)

27 In sum, respondent erred in adopting parameters and guidelines which, pursuant to  
28 Public Contract Code sections 12167 and 12167.1, limited and conditioned the use of revenues

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generated by recycling activities of California Community Colleges under IWM plans to offset the colleges' reimbursable plan costs. Because the use of revenues to offset the reimbursable costs of IWM plan are properly governed by section 6 principles without the limitations and conditions imposed by sections 12167 and 12167.1, the court will order the issuance of a writ of mandate requiring respondent to correct its error through an amendment of the parameters and guidelines.

RELIEF

The petition is granted. Counsel for petitioners is directed to prepare a proposed judgment and proposed writ of mandate consistent with this ruling, serve it on counsel for respondent for approval as to form, and then submit it to the court pursuant to rule 3. 1312 of the California Rules of Court.

Dated: May 29, 2008



*Lloyd G. Connelly*  
LLOYD G. CONNELLY  
Judge of the Superior Court

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF SACRAMENTO**

Gordon D Schaber Courthouse  
720 Ninth STREET  
Sacramento, CA 95814-1311

**SHORT TITLE: ST OF CA DEPT OF FINANCE. ETAL VS. COMMISSION ON ST MANDATES**

**CLERK'S CERTIFICATE OF SERVICE BY MAIL**

**CASE NUMBER:  
07CS00355**

I certify that I am not a party to this cause. I certify that a true copy of the attached was mailed following standard court practices in a sealed envelope with postage fully prepaid, addressed as indicated below. The mailing and this certification occurred at Sacramento, California, on 05/30/2008.

Clerk of the Court, by: /s/ C Beebout *C Beebout*, Deputy

Leslie R Lopez  
P.O.Box 944255  
Sacramento, CA 94244

Camille Shelton  
980 Ninth Street # 300  
Sacramento, CA 95814

Jack C Woodside  
P.O.Box 944255  
Sacramento, CA 94244

Lisa Rose  
*Santa Monica Community College Dist.  
1900 Pico Blvd  
Santa Monica*

Eric Feller  
980 9th Street # 300  
Commission on State Mandates  
Sacramento, CA 95814

Roberta Mason  
*Lake Tahoe Community College Dist.  
One College Dr.  
South Lake Tahoe, CA 96150*

Additional names and address attached.

**CLERK'S CERTIFICATE OF SERVICE BY MAIL**

Page: 1

*(18)*

90

**Tab 6**

State Center Community College District  
 Legislatively Mandated Integrated Waste Management Program

Offsetting Savings

FY's 1999-00 through 2010-11, excluding FY's 2001-02 and 2002-03

Review ID #: S13-MCC-959

Fresno City College												
Fiscal Year	Dates	Calendar Year	Tonnage Diverted	Tonnage Disposed	Total Tonnage Generated	Actual Diversion Percentage	Maximum Allowable Diversion Percentage	Is the Diversion % (column D) LESS THAN or EQUAL to the Maximum Diversion %	Allocated Diversion % If "YES", unlimited off savings = 100% If "NO", limited off savings = (E / D)	Statewide Average Landfill Fee (Per Ton)	Offsetting Savings I = A * G * H	
					C = A + B	D = A / C	Percentage					
1999-00	1/1/00 - 6/30/00	2000 **	Tab 4, page 2	201.55	175.95	377.50	53.39%	25.00%	NO	46.83%	\$ 36.39	(3,435)
												(3,435)
2000-01	7/1/00 - 12/31/00	2000 **	Tab 4, page 2	201.55	175.95	377.50	53.39%	25.00%	NO	46.83%	\$ 36.39	(3,435)
	1/1/01 - 6/30/01	2001	Tab 4, page 2	201.55	175.95	377.50	53.39%	25.00%	NO	46.83%	\$ 36.39	(3,435)
												(6,870)
2003-04	7/1/03 - 12/31/03	2003	Tab 4, page 4	176.90	153.20	330.10	53.59%	50.00%	NO	93.30%	\$ 36.83	(6,079)
	1/1/04 - 6/30/04	2004	Tab 4, page 6	189.75	184.50	374.25	50.70%	50.00%	NO	98.62%	\$ 38.42	(7,190)
												(13,269)
2004-05	7/1/04 - 12/31/04	2004	Tab 4, page 6	189.75	184.50	374.25	50.70%	50.00%	NO	98.62%	\$ 38.42	(7,190)
	1/1/05 - 6/30/05	2005	Tab 4, page 8	187.95	152.35	340.30	55.23%	50.00%	NO	90.53%	\$ 39.00	(6,636)
												(13,826)
2005-06	7/1/05 - 12/31/05	2005	Tab 4, page 8	187.95	152.35	340.30	55.23%	50.00%	NO	90.53%	\$ 39.00	(6,636)
	1/1/06 - 6/30/06	2006	Tab 4, page 10	189.75	155.00	344.75	55.04%	50.00%	NO	90.84%	\$ 46.00	(7,929)
												(14,565)
2006-07	7/1/06 - 12/31/06	2006	Tab 4, page 10	189.75	155.00	344.75	55.04%	50.00%	NO	90.84%	\$ 46.00	(7,929)
	1/1/07 - 6/30/07	2007	Tab 4, page 12	173.10	163.40	336.50	51.44%	50.00%	NO	97.20%	\$ 48.00	(8,076)
												(16,005)
2007-08	7/1/07 - 12/31/07	2007	Tab 4, page 12	173.10	163.40	336.50	51.44%	50.00%	NO	97.20%	\$ 48.00	(8,076)
	1/1/08 - 6/30/08	2008 *	Tab 4, page 12	173.10	163.40	336.50	51.44%	50.00%	NO	97.20%	\$ 51.00	(8,581)
												(16,657)
2008-09	7/1/08 - 12/31/08	2008 *	Tab 4, page 12	173.10	163.40	336.50	51.44%	50.00%	NO	97.20%	\$ 51.00	(8,581)
	1/1/09 - 6/30/09	2009 *	Tab 4, page 12	173.10	163.40	336.50	51.44%	50.00%	NO	97.20%	\$ 55.00	(9,254)
												(17,835)
2009-10	7/1/09 - 12/31/09	2009 *	Tab 4, page 12	173.10	163.40	336.50	51.44%	50.00%	NO	97.20%	\$ 55.00	(9,254)
	1/1/10 - 6/30/10	2010 *	Tab 4, page 12	173.10	163.40	336.50	51.44%	50.00%	NO	97.20%	\$ 56.00	(9,422)
												(18,676)
2010-11	7/1/10 - 12/31/10	2010 *	Tab 4, page 12	86.55	81.70	168.25	51.44%	50.00%	NO	97.20%	\$ 56.00	(4,711)
				3,214.70	2,890.25	6,104.95						(4,711)
												(125,849)

\* Note: In 2008, CalRecycle began focusing on "per-capita disposal" instead of "diversion percentage." Therefore, beginning in 2008, CalRecycle no longer required the districts to report the actual amount of tonnage diverted. As a result, we used the tonnage diverted in 2007 to calculate the offsetting savings for FY's 2007-08, 2008-09, and 2009-10. If the district is able to support a lower amount of tonnage diverted for either 2008, 2009, or 2010, we will revise the amounts accordingly.

\*\* Note: In 2000, Fresno City College's CalRecycle Annual Report states that the "Annual Report has not been finalized." For both FY 1999-00 and 2000-01 claims the district claimed costs for diversion activities. Therefore, unless the district is able to support the diversion percentage for 2000, the SCO will use the 2001 diversion percentage for this year.

Reedley College												
Fiscal Year	Dates	Calendar Year	Tonnage Diverted	Tonnage Disposed	Total Tonnage Generated	Actual Diversion Percentage	Maximum Allowable Diversion Percentage	Is the Diversion % (column D) LESS THAN or EQUAL to the Maximum Diversion %	Allocated Diversion % If "YES", unlimited off.savings = 100% If "NO", limited off.savings = (E / D)	State-wide Average Landfill Fee (Per Ton)	Offsetting Savings I = A * G * H	
					C = A + B	D = A / C	E					
1999-00	1/1/00 - 6/30/00	2000	Tab 4, page 23	195.10	598.80	793.90	24.57%	25.00%	YES	100.00%	\$ 36.39	(7,100)
												(7,100)
2000-01	7/1/00 - 12/31/00	2000	Tab 4, page 23	195.10	598.80	793.90	24.57%	25.00%	YES	100.00%	\$ 36.39	(7,100)
	1/1/01 - 6/30/01	2001	Tab 4, page 25	183.50	550.00	733.50	25.02%	25.00%	NO	99.92%	\$ 36.39	(6,672)
												(13,772)
2003-04	7/1/03 - 12/31/03	2003	Tab 4, page 27	203.20	575.00	778.20	26.11%	50.00%	YES	100.00%	\$ 36.83	(7,484)
	1/1/04 - 6/30/04	2004	Tab 4, page 29	316.40	142.50	458.90	68.95%	50.00%	NO	72.52%	\$ 38.42	(8,816)
												(16,300)
2004-05	7/1/04 - 12/31/04	2004	Tab 4, page 29	316.40	142.50	458.90	68.95%	50.00%	NO	72.52%	\$ 38.42	(8,816)
	1/1/05 - 6/30/05	2005	Tab 4, page 31	324.75	141.50	466.25	69.65%	50.00%	NO	71.79%	\$ 39.00	(9,092)
												(17,908)
2005-06	7/1/05 - 12/31/05	2005	Tab 4, page 31	324.75	141.50	466.25	69.65%	50.00%	NO	71.79%	\$ 39.00	(9,092)
	1/1/06 - 6/30/06	2006	Tab 4, page 33	319.80	142.00	461.80	69.25%	50.00%	NO	72.20%	\$ 46.00	(10,621)
												(19,713)
2006-07	7/1/06 - 12/31/06	2006	Tab 4, page 33	319.80	142.00	461.80	69.25%	50.00%	NO	72.20%	\$ 46.00	(10,621)
	1/1/07 - 6/30/07	2007	Tab 4, page 35	293.35	140.00	433.35	67.69%	50.00%	NO	73.87%	\$ 48.00	(10,401)
												(21,022)
2007-08	7/1/07 - 12/31/07	2007	Tab 4, page 35	293.35	140.00	433.35	67.69%	50.00%	NO	73.87%	\$ 48.00	(10,401)
	1/1/08 - 6/30/08	2008 *	Tab 4, page 35	293.35	140.00	433.35	67.69%	50.00%	NO	73.87%	\$ 51.00	(11,052)
												(21,453)
2008-09	7/1/08 - 12/31/08	2008 *	Tab 4, page 35	293.35	140.00	433.35	67.69%	50.00%	NO	73.87%	\$ 51.00	(11,052)
	1/1/09 - 6/30/09	2009 *	Tab 4, page 35	293.35	140.00	433.35	67.69%	50.00%	NO	73.87%	\$ 55.00	(11,918)
												(22,970)
2009-10	7/1/09 - 12/31/09	2009 *	Tab 4, page 35	293.35	140.00	433.35	67.69%	50.00%	NO	73.87%	\$ 55.00	(11,918)
	1/1/10 - 6/30/10	2010 *	Tab 4, page 35	293.35	140.00	433.35	67.69%	50.00%	NO	73.87%	\$ 56.00	(12,135)
												(24,053)
2010-11	7/1/10 - 12/31/10	2010*	Tab 4, page 35	146.68	70.00	216.68	67.69%	50.00%	NO	73.87%	\$ 56.00	(6,068)
				4,898.93	4,224.60	9,123.53						(6,068)
												(170,359)









\* Note: In 2008, CalRecycle began focusing on "per-capita disposal" instead of "diversion percentage." Therefore, beginning in 2008, CalRecycle no longer required the districts to report the actual amount of tonnage diverted. As a result, we used the tonnage diverted in 2007 to calculate the offsetting savings for FY's 2007-08, 2008-09, 2009-10, and 2010-11. If the district is able to support a lower amount of tonnage diverted for either 2008, 2009, or 2010, we will revise the amounts accordingly.



## **Tab 7**

# Adjustment to State Center CCD's Integrated Waste Management Claims

Thursday, August 01, 2013  
4:23 PM

Subject	<b>Adjustment to State Center CCD's Integrated Waste Management Claims</b>
From	Kurokawa, Lisa
To	'ed.eng@scccd.edu'
Cc	Martin, Alexandra L. (AMartin@sco.ca.gov); 'wil.schofield@scccd.edu'; 'Glynnna.Billings@scccd.edu'
Sent	Thursday, August 01, 2013 4:20 PM
Attachments	 Offsetting ...  Offsetting ...  Narrative ...  Waste Mg...  Waste Mg...  Septembe...  Amended ...  Fiscal Anal...

Mr. Eng,

My name is Lisa Kurokawa and I'm an Audit Manager with the State Controller's Office, Division of Audits, Mandated Cost Claim Bureau. The reason I am contacting you is because the State Controller's Office will be adjusting State Center CCD's Integrated Waste Management (IWM) claims for FY's 1999-00, 2000-01, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, and 2010-11 by \$296,208. The district contracted with SixTen and Associates to prepare these claims.

#### Unreported Offsetting Savings

We are making this adjustment because the district did not offset any savings realized as a result of implementing its IWM plan. For the fiscal years in the review period, the district realized savings of \$296,208 as a result of implementing its IWM plan (\$170,359 for Reedley College and \$125,849 for Fresno College). Please see the attached "Offsetting Savings Calculation" (for both Reedley College and Fresno City College) and the attached "Narrative of Review Adjustment" for an explanation of the adjustment. To calculate the offsetting savings realized by the district, we used the "tonnage diverted" that the district reported to CalRecycle in accordance with Public Resource Code section 42926, subsection (b)(1) (as shown on the attached "Waste Management Report of Diversion").

#### Background regarding the Offsetting Savings Adjustment

Here's some background information regarding the offsetting savings adjustment:

- In 2007, CalRecycle filed a petition for writ of mandate requesting that the Commission on State Mandates (CSM) issue new parameters and guidelines that give full consideration to the cost savings (e.g. avoided landfill disposal fees) that a district realizes as a result of implementing an IWM program. On June 30, 2008, the court ruled that the CSM was required to amend the parameters and guidelines to require districts to identify and offset from their claims, costs savings.
- In the September 10, 2008 CSM's final staff analysis and proposed amendments to the parameters and guidelines (attached - see the 2nd paragraph on page 3/22), the CSM quotes the court ruling that says: "Cost savings may be calculated from the calculations of annual solid waste disposal reduction or diversion that community colleges must annually report to the Board pursuant to PRC section 42926, subdivision (b)(1)." Furthermore, the amended parameters and guidelines apply retroactively to the original period of reimbursement because the court's decision interprets the test claim statutes as a question of law (see the middle of page 6/22).

#### Financial Summary

For the fiscal years in the review period, the district claimed reimbursement of \$436,519 for the IWM Program. However, because of the offsetting savings adjustment, we have found that \$140,311 is allowable and \$296,208 is unallowable (please see the attached "Fiscal Analysis" for a summary of the claimed, allowable, and review adjustment by fiscal year). The State has made no payment to the district; therefore, the State will pay the district \$140,311 contingent upon available appropriations.

#### Attached Documentation

I have attached the following documentation for you to review:

- Offsetting Savings Calculations for both Reedley College and Fresno City College
- Narrative of Review Adjustment
- Waste Management Report of Diversion for both Reedley College and Fresno City College (from CalRecycle's website)
- September 10, 2008 Final Staff Analysis (from the Commission on State Mandates)
- Amended Parameters and Guidelines (See the "Offsetting Savings" section on page 11 of 12)
- Fiscal Analysis (Summary of Claimed, Allowable, and Unallowable Costs by fiscal year)

I will attach the IWM Claims for on a separate email because the file size is too large (3 MB).

Meeting to discuss?

At this point, we would like for the district to review this documentation and let us know if you have any questions or concerns. Also, if you are interested, we are willing to have a meeting to discuss this adjustment in more detail?

If we don't hear back from the district by Friday, August 16, 2013, we will assume that the district has no questions regarding this adjustment and we will proceed with processing a letter report explaining the reason for the adjustment .

Thank you,

***Lisa Kurokawa***

Audit Manager

State Controller's Office

Division of Audits | Mandated Cost Bureau

(916) 327-3138 - Office | (916) 549-2753 - Work Cell

[lkurokawa@sco.ca.gov](mailto:lkurokawa@sco.ca.gov)

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**Tab 8**

# RE: Adjustment to State Center CCD's Integrated Waste Management Claims

Friday, August 16, 2013  
10:44 AM

Subject	RE: Adjustment to State Center CCD's Integrated Waste Management Claims
From	Kurokawa, Lisa
To	'ed.eng@scccd.edu'
Cc	Martin, Alexandra L. (AMartin@sco.ca.gov); 'wil.schofield@scccd.edu'; 'Glynnna.Billings@scccd.edu'
Sent	Friday, August 16, 2013 10:30 AM

Mr. Eng,

I haven't heard back from the district regarding my August 1, 2013 email identifying an adjustment to the district's Integrated Waste Management (IWM) claims for FY's 1999-00, 2000-01, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, and 2010-11? To summarize, we have determined that the district did not offset any savings realized as a result of implementing the district's IWM Plan. For these FY's, the district realized savings of \$296,208 that were not reported.

For these FY's, the district claimed reimbursement of \$436,519 for the IWM Program. However, because of the offsetting savings adjustment, we have determined that \$140,311 is allowable and \$296,208 is unallowable. The State has made no payments to the district; therefore, the State will pay the district \$140,311, contingent upon available appropriations.

As mentioned in the email below, we are willing to meet with the district to discuss this adjustment. However, since we haven't heard back from the district, we will assume that the district has no questions regarding this adjustment and we will proceed with issuing a letter report notifying the district "officially" of the adjustment.

Thank you,

**Lisa Kurokawa**

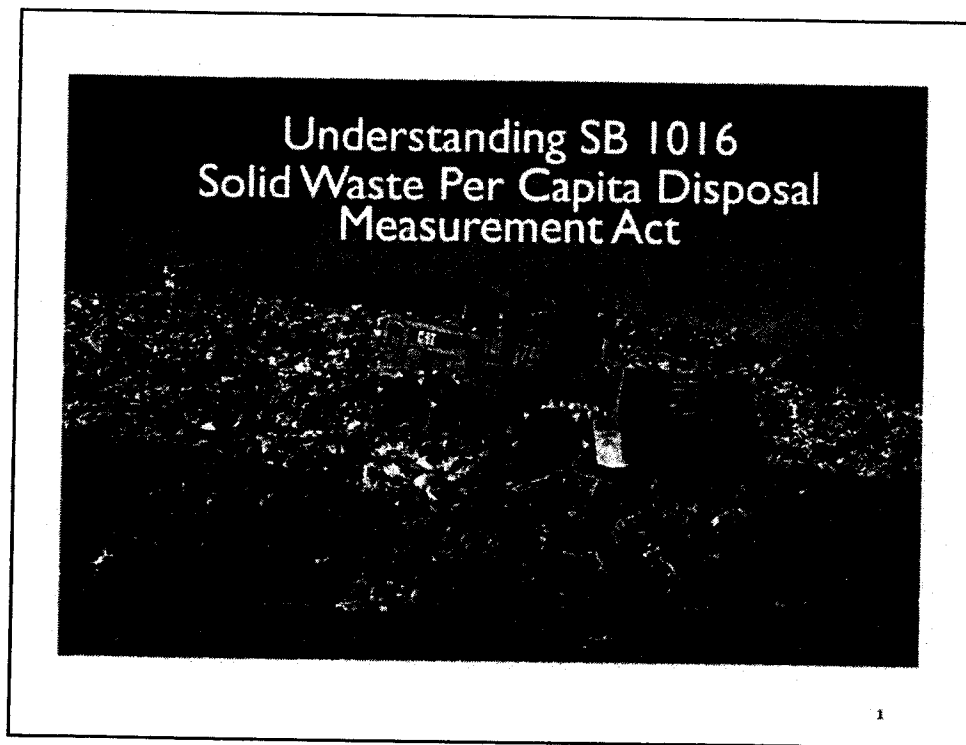
Audit Manager  
State Controller's Office  
Division of Audits | Mandated Cost Bureau  
(916) 327-3138 - Office | (916) 549-2753 - Work Cell  
[lkurokawa@sco.ca.gov](mailto:lkurokawa@sco.ca.gov)

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~~From: Kurokawa, Lisa  
Sent: Thursday, August 01, 2013 4:23 PM  
To: 'ed.eng@scccd.edu'  
Cc: Martin, Alexandra L. (AMartin@sco.ca.gov); 'wil.schofield@scccd.edu'; 'Glynnna.Billings@scccd.edu'  
Subject: RE: Adjustment to State Center CCD's Integrated Waste Management Claims~~

~~Mr. Eng,~~

**Tab 9**



#### Intro

Hello, and thank you for your interest in this quick overview of The Solid Waste Per Capita Disposal Measurement Act – also known as SB1016. I am \_\_\_\_\_ of the California Integrated Waste Management Board.

The Integrated Waste Management Act of 1989 (AB 939) was revolutionary legislation that changed the way California managed its trash, its landfills, and most importantly – its resources.

Not only did 939 get California to divert a mandated 50 percent of its waste, it surpassed that goal as California achieved 58 percent diversion in 2007.

But we are far from finished. While the 50 percent target remains unchanged, the passage of SB 1016 will simplify the way jurisdictions measure their waste stream and put more emphasis on successful recycling and diversion program implementation.

[Slide 1]

So how does SB 1016 affect your waste management practices? This presentation will provide a very brief overview that will answer some frequently asked questions about the legislation and will provide resources for additional information.

SOURCE:

<http://www.calrecycle.ca.gov/igcentral/goalmeasure/Tools/SimplePresen.pdf>



### From Diversion...

- **Diversion Rate:**
  - Complex mathematical calculations and estimates
  - 18-24 months to determine final calculations
  - Focus on 50 percent rather than implementing effective programs

2

The calculation of a jurisdiction's diversion numbers has always played a major role in AB 939.

However, [click] it has long been described as an inefficient, overly complex process – one that takes [click] between 18 and 24 months to complete.

[click] It also improperly places focus on achieving satisfactory numbers rather than implementing successful waste reduction and recycling programs.

[next slide]

### **...to Disposal**

- **Per Capita Disposal Rate:**
  - Simplifies: calculates disposal per person within a jurisdiction
  - Six months to determine final calculations
  - Less “bean counting” and more resources towards program implementation

3

SB 1016 [click] simplifies the measurement process – moving away from the complexities of diversion estimates and instead measuring per capita *disposal* - that is, disposal per person within a particular Jurisdiction.

This shift from diversion to disposal provides much more accurate measurements, [click] takes less time to calculate – 6 months vs. 18-24 – and allows jurisdictions [click] to apply resources toward building successful programs rather than crunching numbers.

[next slide]

## How does this Change 50%?

- Old system: 50% or MORE *Diversion* plus program implementation equals success
- New system: 50% or LESS *Disposal* plus program implementation equals success
- Under SB 1016, lower per capita disposal equal less waste

4

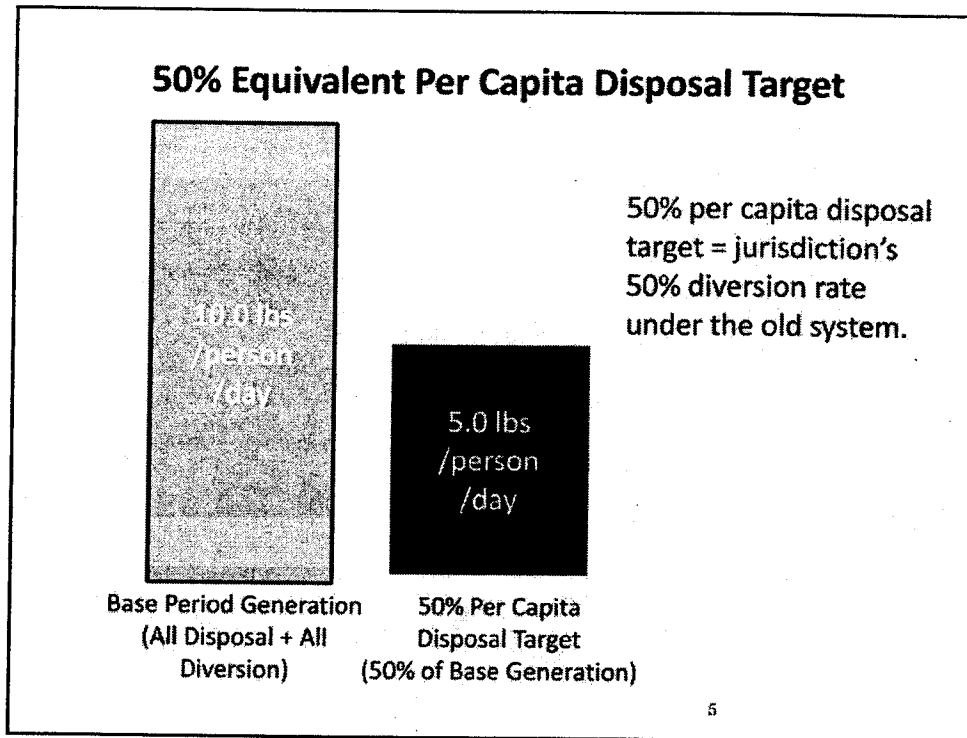
This change in measurement does change how we look at the numbers, however the intent remains the same – reducing our waste disposal.

Under the old system, [click] if a jurisdiction *diverted* 50 percent of its waste or MORE, and it was fully implementing its recycling and related programs, then it had met its mandate and was moving in the right direction.

Now, under SB 1016, each jurisdiction will have a disposal target that is the equivalent of 50 percent diversion, and that target will be expressed on a *per capita basis*. [click] If a jurisdiction *disposes* less than its 50 percent equivalent per capita disposal target AND is implementing its recycling and related programs, it has met the mandate.

You are used to thinking about a diversion rate of *over* 50 percent as being great news! [click] But now, you should be thinking that if your per-capita disposal rate is *less than* your target, then that means you're doing a great job with your programs and now that is great news!

\*



Confused? Perhaps this slide will help.

**[click]** A jurisdiction with a base waste generation rate of 10 pounds per person per day will have a **TARGET [click]** of getting that rate to 5 pounds per person per day, or 50 percent. As you can see, under this new system, a low per capita disposal is a good thing.

In short, the lower the percentage, the less waste a jurisdiction is generating - thus the better it is doing.

Also, an important point to remember **[click]** - if your jurisdiction was at 50 percent diversion under the old system, in most cases, your jurisdiction will remain at 50 percent under the new system—it is just measured in terms of per capita disposal now.

**[next slide]**

## Each Jurisdiction is Unique

- Differing demographics and industrial bases within jurisdictions
- Impossible to compare targets and progress to other jurisdictions

6

Remember that each jurisdiction is unique! **[click]** Each one has its own 50 percent equivalent disposal target, different demographics and industrial bases.

You may be used to comparing your diversion rate with other jurisdictions in the region, but because the per-capita disposal calculation is unique to each jurisdiction, **[click]** it is impossible to compare targets and disposal rates.

## Compliance Impacts of SB 1016

- Compliance remains unchanged
- Disposal number is a factor to consider, but does NOT determine compliance
- Evaluation focused on how jurisdictions are implementing their programs
- Technical assistance for struggling programs

7

SB 1016 does not change AB 939's 50 percent requirement—it just measures it differently.

**[click]** A jurisdiction's compliance is also the same under the new system as it was under the old system. Under both systems, the most important aspect of compliance is program implementation. However, the new system further emphasizes the importance of program implementation.

To evaluate compliance, the Board will look at a jurisdiction's per-capita disposal rates as an indicator of how well its programs are doing to keep or reduce disposal at or below a jurisdiction's unique 50% equivalent disposal target.

**[click]** But the numbers are simply one of several factors – as opposed to being the primary factor – that the Board uses to determine compliance.

**[click]** The priority of the Board is to evaluate that a jurisdiction is continuing to implement the programs it chose and is making progress in meeting its target.

If a jurisdiction is struggling to meet its 50 percent target, **[click]** the Board will provide increased technical assistance to help determine why that may be and work with them to make any necessary program modifications.

**[next slide]**

## **SB 1016 Recap What Stakeholders Asked For!**

- Simplified, accurate and timely
- Maintains 50% requirement
- Emphasis on program implementation instead of number crunching
- Increase CIWMB staff field presence to provide technical assistance

8

SB 1016 was developed - in response to recommendations from you and the CIWMB – [click] to create a measurement system that is less complex, more accurate, and more timely than it has been in the past.

[click]

The shift to a per capita disposal system with [click] continuing emphasis on successful program implementation, [click] as well as an increase in technical assistance to jurisdictions, is the next step to improving waste management practices in California.

It creates a clearer picture of where we stand in our waste reduction efforts - but most importantly, SB 1016 allows us to better see where improvements are needed and to address those areas.

## **Contacts:**

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(916) 341-6207  
[dkustic@ciwmb.ca.gov](mailto:dkustic@ciwmb.ca.gov)

9

I'm sure you have plenty of questions regarding the finer points of SB 1016 and the Board has a number of staff available to provide any additional information and expertise you might need regarding this important piece of legislation. **[click]** Please do not hesitate to contact them if you have any questions.

### **[Closing]**

It is my hope that you have found this brief introduction to SB 1016 useful and informative. California is a global leader in environmental protection, and it is our work here at the State and Local levels that is so vital to that success.

We at the Board thank you for your efforts thus far, and we look forward to continued success working with you

Thank you very much for your time.



**Tab 10**



## State Agency Waste Management: Annual Report Diversion Programs to Report

---

In each reporting year, state agencies must select which diversion programs to report, and describe how programs are implemented. This list of materials and program activities is offered to help state agencies prepare for the annual report.

### Recycling

Recycling is the practice of collecting and diverting materials from the waste stream for remanufacturing into new products, such as recycled-content paper. The programs listed reflect this practice.

The annual report will ask you to identify the materials that are collected for recycling at your facility/facilities and provide details describing your recycling activities.

- > Beverage containers
- > Glass Plastics (#3-7)
- > Carpet
- > Cardboard
- > Newspaper
- > Office paper (white)
- > Office paper (mixed)
- > Confidential shredded paper
- > Copier/toner cartridges
- > Scrap metal
- > Wood waste
- > Textiles
- > Ash Sludge (sewage/industrial)
- > Tires
- > White goods
- > Construction materials/debris
- > Rendering
- > Other
- > None

### Information About Hazardous Waste Materials

These following materials are deemed as hazardous, and cannot be disposed in a landfill. Proper handling is required and (does not count as diversion) These hazardous materials are regulated by the California Department of Toxic Substances Control (DTSC). Please see the DTSC website for their disposal guidelines.



①

- > **Universal Waste:** Radios, stereo equipment, printers, VCR/DVD players, calculators, cell phones, telephones, answering machines, microwave ovens, cathode ray tubes, cathode ray glass, all types of batteries, lamps (compact fluorescent lightbulbs, commercial fluorescent lights), mercury containing equipment, non-empty aerosol cans (containing propane, butane pesticides), and other common electronic devices.
- > **Electronic Waste:** Common electronic devices that are identified as hazardous waste, such as computers and central processing units (CPU), laptops, monitors and televisions, etc.
- > Additional hazardous wastes should be properly managed: antifreeze, asbestos, paint, treated wood, used oil, etc.



## Organics Recycling

In October of 2014 Governor Brown signed AB 1826 Chesbro (Chapter 727, Statutes of 2014), requiring businesses, including State Agencies, to recycle their organic waste on and after April 1, 2016, depending on the amount of organic waste they generate per week. This law also requires that on and after January 1, 2016, local jurisdictions across the state implement an organic waste recycling program to divert organic waste generated by businesses, including State Agencies that meet the progressive thresholds. Learn more about AB 1826 and Mandatory Commercial Organics Recycling.

Programs that increase diversion of organic materials from landfill disposal for beneficial uses such as compost, mulch, and energy production.

The annual report will ask you to identify the organic materials, how they are diverted by your facility/facilities, and provide details describing your organics recycling programs.

- > Xeriscaping (climate appropriate landscaping)
- > Grasscycling
- > Green Waste--On-site composting and mulching
- > Green Waste--Self-haul
- > Green Waste--Commercial pickup
- > Food scraps--On-site composting and mulching
- > Food scraps--Self-haul
- > Food scraps--Commercial pickup
- > Other

## Material Exchange

Programs that promote the exchange and reuse of unwanted or surplus materials. The reuse of materials/products results in the conservation of energy, raw resources, landfill space, and the reduction of green house gas emissions, purchasing costs, and disposal costs.

The annual report will ask you to identify your agency/facility's efforts to donate or exchanges materials, supplies, equipment, etc., and provide details describing your material exchange activities.

- > Nonprofit/school donations
- > Internal property reutilizations
- > State surplus (accepted by DGS)
- > Used book exchange/buy backs
- > Employee supplies exchange
- > Other

(2)

### Waste Prevention/Reuse

Programs in this section support (a) waste prevention: actions or choices that reduce waste, and prevent the generation of waste in the first place; and (b) reuse: using an object or material again, either for its original purpose or for a similar purpose, without significantly altering the physical form of the object or material.

The annual report will ask you to select the common waste prevention and reuse activities implemented at your facility/facilities, and provide details describing your waste prevention and reuse programs.

- >> Paper forms reduction--online forms
- >> Bulletin boards
- >> Remanufactured toner cartridges
- >> Retreaded/Recapped tires
- >> Washable/Reusable cups, service ware
- >> Reusable boxes
- >> Reusable pallets
- >> Reusable slip sheets
- >> Electronic document storage
- >> Intranet
- >> Reuse of office furniture, equipment & supplies
- >> Reuse of packing materials
- >> Reuse of construction/remodeling materials
- >> Double-sided copies
- >> Email vs. paper memos
- >> Food Donation
- >> Electric air hand-dryers
- >> Remanufactured equipment
- >> Rags made from waste cloth or reusable rags
- >> Preventative maintenance
- >> Used vehicle parts
- >> Used Tires
- >> Other
- >> None

### Green Procurement

Programs that promote green purchasing practices, including the purchase of goods and materials that are made from recycled or less harmful ingredients such as, postconsumer recycled content copy paper or less toxic cleaning products. [View sample policies](#) and the [Department of General Services Buying Green website](#).

The annual report will ask you to identify how your agency is closing the recycling loop (such as buying post-consumer recycled content products), and provide details describing your procurement programs/policies and the types of green products your agency is procuring. [View SABRC Report](#)

- >> Recycled Content Product (RCP) procurement policy

- >> Environmentally Preferable Purchasing (EPP) procurement policy
- >> Staff procurement training regarding RCP/EPP practices
- >> RCP/EPP language included in procurement contracts for products and materials
- >> Other green procurement activities

## Training and Education

Programs to reduce trash, re-use, recycle, compost, and to buy green products are more effective when employees are aware, involved and motivated. How does your agency train and educate employees, and non-employees (if applicable) regarding existing waste management and recycling programs?

The annual report will ask you to identify how your agency trains and educates employees, and non-employees (if applicable) regarding efforts to reduce waste, reuse, recycle, compost, and buy green products, and explain how you also educate your suppliers, customers, and/or your community about your efforts to reduce, reuse, recycle, compost, and buy recycled products.

- >> Web page (intranet or internet)
- >> Signage (signs, posters, including labels for recycling bins)
- >> Brochures, flyers, newsletters, publications, newspaper articles/ads
- >> Office recycling guide, fact sheets
- >> New employee package
- >> Outreach (internal/external) e.g. environmental fairs
- >> Seminars, workshops, special speakers
- >> Employee incentives, competitions/prizes
- >> Awards program
- >> Press releases
- >> Employee training
- >> Waste audits, waste evaluations/surveys
- >> Special recycling/reuse events
- >> Other

Please contact your CalRecycle local assistance representative for individual assistance.

---

Last updated: July 30, 2015

State Agency Waste Management Programs, <http://www.calrecycle.ca.gov/StateAgency/>

Recycling Coordinator: [SARC@calrecycle.ca.gov](mailto:SARC@calrecycle.ca.gov), (916) 341-6199

Buy Recycled Campaign: [BuyRecycled@calrecycle.ca.gov](mailto:BuyRecycled@calrecycle.ca.gov), (916) 341-6199

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**Tab 11**



LINDA S. ADAMS  
SECRETARY FOR ENVIRONMENTAL  
PROTECTION

# CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD



ARNOLD SCHWARZENEGGER  
GOVERNOR

1001 I STREET, SACRAMENTO, CALIFORNIA 95814 • P.O. BOX 4025, SACRAMENTO, CALIFORNIA 95812-4025  
(916) 341-6000 • WWW.CIWMB.CA.GOV

MARGO REID BROWN  
CHAIR  
MBROWN@CIWMB.CA.GOV  
(916) 341-6051

September 21, 2009

Paula Higashi  
Executive Director  
Commission on State Mandates  
980 Ninth Street, Suite 300  
Sacramento, CA 95864

SHEILA JAMES KUEHL  
SKUEHL@CIWMB.CA.GOV  
(916) 341-6039

Re: **Development Of Revised Statewide Cost Estimate**  
Request to Amend Parameters and Guidelines  
Integrated Waste Management Board 05-PGA-16  
Public Resources Code Sections 40148, 40196.3, 42920-42928  
Public Contract Code Sections 12167 and 12167.1  
Statutes 1999, Chapter 764; Statutes 1992, Chapter 1116  
State Agency Model Integrated Waste Management Plan (February 2000)

JOHN LAIRD  
JLAIRD@CIWMB.CA.GOV  
(916) 341-6010

Dear Ms. Higashi:

CAROLE MIGDEN  
CMIGDEN@CIWMB.CA.GOV  
(916) 341-6024

You have requested a "revised estimate of avoided disposal costs and sales of recyclable materials, based on the information reported to the CIWMB by the 45 claimant districts" for use in developing an accurate revised statewide cost estimate. Compiling this information required a significant effort on the part of a number of our staff and I wanted to express our appreciation for the additional time you have allowed us to respond.

ROSALIE MULE  
RMULE@CIWMB.CA.GOV  
(916) 341-6016

Enclosed you will find summary spreadsheets containing information on each district to the extent it was available for the years involved with this claim. These summary sheets were built from a number of other spreadsheets detailing disposal reduction amounts for waste, and recovered materials by types, such as glass, paper, etc. I have only enclosed the summary sheets in hard copy due to the large amount of paper involved and the inability to fit much of the information on one page at a time. I will be separately e-mailing those documents to you so that your staff may review them in a more readily useable format. For those parties that are also receiving a copy of this letter, if you would like me to e-mail these additional documents to you, please send your e-mail address with a request to me at [eblock@ciwmb.ca.gov](mailto:eblock@ciwmb.ca.gov).

There are several things I must note about the enclosed information. We could not provide information about the years 1999 and 2000 because plans were first coming in during that period and community colleges were not yet reporting their results. Starting in 2001, the data is based on a calendar year, not a fiscal year, as that is the way in which the information was reported to us. We have not provided 2008 data as we have not received and reviewed all of that information yet. Districts do not report their reduced disposal costs or sales of recyclable materials per se, they report their reduction in disposal and the amounts of recyclable materials they have recovered. We then took that data and used average estimated rates for disposal costs and sale of recyclable commodities for the years involved to develop monetary estimates.

Finally, you will notice that despite some significant offsets and available revenue, some community college districts still show a cost for implementation. I want to make clear that it is the CIWMB's position that these claim amounts are still inaccurate – the amounts claimed far exceed



September 21, 2009

Paula Higashi

Page 2

reasonable costs for the programs implemented, particularly when compared to other similar costs from other claimants. While the CIWMB understands that a more detailed level of claim review will occur at a later date, we still believe that the Commission should not include claims that are inaccurate on their face in the calculations of estimated statewide costs.

Once you have had a chance to review this information, you will see that most of the claimants have neglected to provide information to you on offsets and revenues that they reported to us as part of their annual reports. As we have previously indicated, we believe once these numbers are factored in, and other inaccuracies are corrected – the claimants will in fact be owed nothing from the state because the programs that they were required to institute saved them money, rather than costing money.

I realize there is a lot of detail in the information provided and e-mailed separately. Please feel free to let me know if you would like to meet with our staff to obtain any additional information or explanations on how this data was derived. I can be reached at 916-341-6080 if you would like to make arrangements to discuss this further. Thank you for your consideration.

I certify, under penalty of perjury, that I am an authorized representative of the California Integrated Waste Management Board and that the statements made in this document are true and correct to the best of my personal knowledge and belief.

Executed this 21st day of September, 2009 in Sacramento, California, by:



\_\_\_\_\_  
Elliot Block

Chief Counsel

California Integrated Waste Management Board



PROOF OF SERVICE

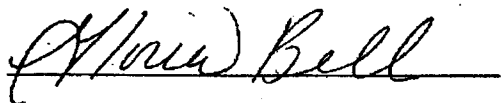
**Development Of Revised Statewide Cost Estimate  
Integrated Waste Management Board 05-PGA-16**

I, the undersigned, declare as follows:

I am employed in the County of Sacramento, State of California, I am 18 years of age or older and not a party to the within-entitled cause; my business address is 1001 I Street, 23<sup>rd</sup> floor, Sacramento, California, 95814.

On September 21, 2009, I served the attached Letter With Enclosures Regarding The Development Of Revised Statewide Cost Estimate to the Commission on State Mandates and by placing a true copy thereof to the Commission and to all of those listed on the attached mailing list enclosed in a sealed envelope with postage thereon fully prepaid in the U. S. Mail at Sacramento, California, in the normal pickup location at 1001 I Street, 23<sup>rd</sup> floor, for Interagency Mail Service, addressed as follows:

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on September 21, 2009 at Sacramento, California.

A handwritten signature in cursive script that reads "Maria Bell". The signature is written in black ink and is positioned above a horizontal line.

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Fresno, CA 93704-6398

Jolene Tollenaar  
MGT of America  
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Sacramento, CA 95814

Michael Johnston  
Clovis Unified School District  
1450 Herndon Ave.  
Clovis, CA 93611-0599

District / College	Total claimed - (offsets + avoided disposal) for 2001	Total claimed - (offsets + avoided disposal) for 2002	Total claimed - (offsets + avoided disposal) for 2003	Total claimed - (offsets + avoided disposal) for 2004	Total claimed - (offsets + avoided disposal) for 2005	Total claimed - (offsets + avoided disposal) for 2006	Total claimed - (offsets + avoided disposal) for 2007	Grand Total For All Years
<b>Allan Hancock CCD</b>								
Allan Hancock College								
	\$ (13,459.07)	\$ (48,899.21)	\$ (1,185.78)	\$ (8,674.97)	\$ (24,695.78)	\$ (38.54)	\$ (37,252.08)	\$ (134,205.44)
<b>Butte CCD</b>								
Butte College								
	\$ (143,534.70)	\$ (43,154.69)	\$ (46,261.79)	\$ (49,695.92)	\$ (55,239.65)	\$ (62,209.06)	\$ (50,768.13)	\$ (450,863.94)
<b>Cabrillo CCD</b>								
Cabrillo College								
	\$ (14,118.44)	\$ (17,179.18)	\$ (22,818.54)	\$ (18,143.93)	\$ (15,381.47)	\$ (5,411.70)	\$ (25,913.23)	\$ (118,966.49)
<b>Chabot-Las Positas CCD</b>								
Chabot College								
Las Positas College								
	\$ 80,384.42	\$ 81,333.13	\$ 96,103.70	\$ 116,858.89	\$ 159,153.07	\$ 37,557.42	\$ 27,527.32	\$ 598,917.94
<b>Citrus CCD</b>								
Citrus College								
	\$ (60,776.76)	\$ (26,665.64)	\$ (24,284.47)	\$ (2,624.48)	\$ (11,795.19)	\$ (132,644.25)	\$ (83,666.70)	\$ (342,457.49)
<b>Coast CCD</b>								
Coastline Community College								
Golden West College								
Orange Coast College								
	\$ (86,379.58)	\$ (30,046.73)	\$ 149.92	\$ (29,469.60)	\$ 21,164.81	\$ (49,415.73)	\$ (148,200.90)	\$ (322,197.80)
<b>Sequoias CCD</b>								
College of the Sequoias								
	\$ (10,834.92)	\$ (10,310.03)	\$ (20,686.69)	\$ (22,958.41)	\$ (28,017.19)	\$ (33,123.41)	\$ (42,730.48)	\$ (168,661.12)
<b>Contra Costa CCD</b>								

District / College	Total claimed - (offsets + avoided disposal) for 2001	Total claimed - (offsets + avoided disposal) for 2002	Total claimed - (offsets + avoided disposal) for 2003	Total claimed - (offsets + avoided disposal) for 2004	Total claimed - (offsets + avoided disposal) for 2005	Total claimed - (offsets + avoided disposal) for 2006	Total claimed - (offsets + avoided disposal) for 2007	Grand Total For All Years
Contra Costa College								
Diablo Valley College								
Los Medanos College								
	\$ (9,721.43)	\$ (17,093.76)	\$ (21,268.27)	\$ (34,617.79)	\$ (38,088.70)	\$ (44,388.20)	\$ (93,161.02)	\$ (258,339.18)
El Camino CCD								
El Camino College								
Compton Community Educational Center								
	\$ 31,005.91	\$ 14,677.70	\$ 3,983.50	\$ 13,877.75	\$ (46,510.53)	\$ 8,980.07	\$ (8,815.19)	\$ 17,199.21
Foothill-DeAnza CCD								
DeAnza College								
Foothill College								
	\$ (76,543.42)	\$ (314,355.47)	\$ (108,315.26)	\$ (110,536.86)	\$ (236,092.97)	\$ (181,090.89)	\$ (153,776.91)	\$ (1,180,711.77)
Gavilan Joint CCD								
Gavilan College								
	\$ 63,323.67	\$ 62,091.56	\$ 36,358.77	\$ 45,610.46	\$ 43,765.48	\$ (408,713.79)	\$ 38,836.07	\$ (118,727.79)
Glendale CCD								
Glendale Community College								
	\$ (34,513.22)	\$ 18,688.38	\$ 72,574.80	\$ 46,948.46	\$ 56,408.12	\$ 54,814.00	\$ 80,453.34	\$ 295,373.88
Grossmont-Cuyamaca CCD								
Cuyamaca College								
Grossmont College								
	\$ (137,664.73)	\$ 39,437.16	\$ 39,263.89	\$ (115,710.42)	\$ (721,030.27)	\$ 116,609.81	\$ (597.11)	\$ (779,691.67)
Hartnell CCD								
Hartnell Community College								
	\$ 30,209.01	\$ 43,437.20	\$ 18,598.88	\$ (12,568.36)	\$ 5,597.45	\$ (20,014.70)	\$ (84,752.35)	\$ (19,492.87)

District / College	Total claimed - (offsets + avoided disposal) for 2001	Total claimed - (offsets + avoided disposal) for 2002	Total claimed - (offsets + avoided disposal) for 2003	Total claimed - (offsets + avoided disposal) for 2004	Total claimed - (offsets + avoided disposal) for 2005	Total claimed - (offsets + avoided disposal) for 2006	Total claimed - (offsets + avoided disposal) for 2007	Grand Total For All Years
Lassen CCD								
Lassen College								
	\$ (10,880.06)	\$ (15,900.70)	\$ (9,691.47)	\$ (15,708.67)	\$ (13,755.67)	\$ (18,911.66)	\$ (23,146.91)	\$ (107,995.14)
Long Beach CCD								
Long Beach City College								
	\$ 11,682.69	\$ 16,676.15	\$ 12,275.70	\$ (101,090.71)	\$ 10,735.82	\$ (16,139.13)	\$ (10,663.06)	\$ (76,522.54)
Los Rios CCD								
American River College								
Cosumnes River College								
Folsom Lake College								
Sacramento City College								
	\$ (32,892.88)	\$ (93,854.42)	\$ (66,912.90)	\$ (96,455.32)	\$ (1,231,937.81)	\$ (19,344.10)	\$ (37,187.40)	\$ (1,578,584.82)
Marin CCD								
College of Marin								
	\$ (13,631.22)	\$ (10,468.62)	\$ (1,086.09)	\$ 8,419.85	\$ 9,879.65	\$ 4,744.82	\$ (19,837.14)	\$ (21,978.75)
Merced CCD								
Merced College								
	\$ (208,871.37)	\$ 12,812.47	\$ 15,089.74	\$ 6,851.73	\$ 4,494.98	\$ 35,310.27	\$ 34,030.21	\$ (100,281.96)
MiraCosta CCD								
MiraCosta College								
	\$ (7,547.86)	\$ (10,795.92)	\$ (38,401.45)	\$ (16,505.89)	\$ (55,895.14)	\$ (77,153.72)	\$ (41,286.71)	\$ (247,586.68)
Monterey CCD								
Monterey Peninsula College								
	\$ (12,928.87)	\$ (18,782.43)	\$ (20,194.80)	\$ (28,059.36)	\$ (25,043.13)	\$ (29,633.94)	\$ (18,153.85)	\$ (152,796.37)

District / College	Total claimed - (offsets + avoided disposal) for 2001	Total claimed - (offsets + avoided disposal) for 2002	Total claimed - (offsets + avoided disposal) for 2003	Total claimed - (offsets + avoided disposal) for 2004	Total claimed - (offsets + avoided disposal) for 2005	Total claimed - (offsets + avoided disposal) for 2006	Total claimed - (offsets + avoided disposal) for 2007	Grand Total For All Years
Mt. San Antonio CCD								
Mt. San Antonio College								
	\$ 3,452.14	\$ (22,145.81)	\$ 5,517.39	\$ (8,624.39)	\$ 23,867.20	\$ 38,421.14	\$ 34,257.98	\$ 74,745.65
North Orange Cty CCD								
Cypress College								
Fullerton College								
	\$ (3,105.41)	\$ (80,224.30)	\$ (129,370.31)	\$ (134,735.18)	\$ (193,425.60)	\$ (249,952.05)	\$ (34,409.44)	\$ (825,222.29)
Palo Verde CCD								
Palo Verde College								
	\$ 71,930.00	\$ 58,605.46	\$ 56,129.09	\$ 59,374.79	\$ 65,689.95	\$ 63,553.71	\$ 26,730.81	\$ 402,013.80
Palomar CCD								
Palomar College								
	\$ 65,958.21	\$ 72,504.57	\$ 101,216.85	\$ 58,994.82	\$ 40,096.59	\$ 40,897.25	\$ 65,760.78	\$ 445,429.07
Pasadena CCD								
Pasadena City College								
	\$ 164,564.73	\$ 238,657.67	\$ 256,456.32	\$ 235,830.32	\$ 245,767.58	\$ 14,930.51	\$ 270,023.24	\$ 1,426,230.37
Rancho Santiago CCD								
Santa Ana College								
	\$ 58,373.70	\$ 49,973.24	\$ 54,125.17	\$ 115,919.38	\$ 67,374.86	\$ 141,308.96	\$ 60,312.53	\$ 547,387.84
Santiago Canyon College								
Redwoods CCD								
College of the Redwoods								
	\$ (2,801.78)	\$ 31,802.33	\$ 33,184.43	\$ 33,788.47	\$ 31,796.19	\$ 6,146.67	\$ (79,700.05)	\$ 54,216.27
San Bernardino CCD								
Crafton Hills College								

District / College	Total claimed - (offsets + avoided disposal) for 2001	Total claimed - (offsets + avoided disposal) for 2002	Total claimed - (offsets + avoided disposal) for 2003	Total claimed - (offsets + avoided disposal) for 2004	Total claimed - (offsets + avoided disposal) for 2005	Total claimed - (offsets + avoided disposal) for 2006	Total claimed - (offsets + avoided disposal) for 2007	Grand Total For All Years
San Bernardino Valley College	\$ (3,452.57)	\$ (10,621.38)	\$ (28,228.29)	\$ (19,861.75)	\$ (239,409.28)	\$ (322,864.10)	\$ (995,388.02)	\$ (1,619,825.40)
San Joaquin Delta CCD								
San Joaquin Delta College	\$ (22,828.64)	\$ (16,462.40)	\$ (28,689.47)	\$ (38,053.60)	\$ (42,871.30)	\$ (38,021.93)	\$ 19,183.93	\$ (167,743.42)
San Jose CCD								
Evergreen Valley College								
San Jose City College	\$ (10,767.02)	\$ 191,233.96	\$ 238,555.16	\$ 256,890.84	\$ 286,824.48	\$ 192,184.29	\$ 374,162.79	\$ 1,529,084.50
San Luis Obispo CCD								
Cuesta College	\$ (23,187.77)	\$ (17,819.63)	\$ (19,530.76)	\$ (18,509.76)	\$ (20,925.33)	\$ 37,492.56	\$ 38,224.33	\$ (24,256.35)
San Mateo Co CCD								
College of San Mateo								
Skyline College	\$ (29,194.91)	\$ (9,486.68)	\$ (11,855.60)	\$ (128,527.81)	\$ (4,882.60)	\$ (97,026.52)	\$ (89,080.30)	\$ (370,054.41)
Santa Clarita CCD								
College of the Canyons	\$ (10,541.53)	\$ (14,971.73)	\$ (23,555.53)	\$ (27,139.81)	\$ (31,272.84)	\$ (40,175.65)	\$ (52,109.34)	\$ (199,766.43)
Santa Monica CCD								
Santa Monica College	\$ (970,517.06)	\$ (24,520.06)	\$ (128,695.11)	\$ (270,723.06)	\$ (205,658.62)	\$ (400,814.98)	\$ (185,388.10)	\$ (2,186,316.99)
Shasta Tehama CCD								
Shasta College	\$ (8,132.25)	\$ (21,651.17)	\$ (15,267.68)	\$ (66,984.34)	\$ (25,203.34)	\$ (8,982.40)	\$ (17,649.48)	\$ (163,870.65)



District / College	Total claimed - (offsets + avoided disposal) for 2001	Total claimed - (offsets + avoided disposal) for 2002	Total claimed - (offsets + avoided disposal) for 2003	Total claimed - (offsets + avoided disposal) for 2004	Total claimed - (offsets + avoided disposal) for 2005	Total claimed - (offsets + avoided disposal) for 2006	Total claimed - (offsets + avoided disposal) for 2007	Grand Total For All Years
Sierra Joint CCD								
Sierra College								
	\$ 15,932.10	\$ 19,408.44	\$ 3,580.84	\$ (8,663.27)	\$ (11,695.66)	\$ (10,453.94)	\$ (11,149.13)	\$ (3,040.62)
Siskiyou CCD								
College of the Siskiyous								
	\$ 7,292.15	\$ (4,206.06)	\$ 20,877.40	\$ 4,816.74	\$ 12,846.77	\$ (17,859.70)	\$ (18,158.82)	\$ 5,608.47
Solano Co CCD								
Solano Community College								
	\$ (5,346.21)	\$ (122,573.58)	\$ (13,171.70)	\$ (18,882.42)	\$ (15,244.51)	\$ (40,396.03)	\$ (28,572.29)	\$ (244,186.73)
State Center CCD								
Fresno City College								
Reedley College								
	\$ (3,269.73)	\$ (1,709.91)	\$ (2,020.77)	\$ (14,798.60)	\$ (14,351.89)	\$ (8,247.29)	\$ (21,339.27)	\$ (65,737.47)
Victor Valley CCD								
Victor Valley College								
	\$ 36,238.51	\$ 53,336.44	\$ 56,722.89	\$ 53,200.88	\$ 55,662.05	\$ 17,841.05	\$ 10,432.65	\$ 283,434.46
West Kern CCD								
Taft College								
	\$ 3,941.58	\$ 8,389.09	\$ 7,629.30	\$ 5,452.23	\$ 8,117.72	\$ 10,136.37	\$ (10,150.87)	\$ 33,515.41
West Valley-Mission CCD								
Mission College								
	\$ (12,760.67)	\$ (5,787.41)	\$ (12,321.50)	\$ (15,665.07)	\$ (16,507.43)	\$ (7,764.51)	\$ (27,755.78)	\$ (98,562.37)
Yosemite CCD								
West Valley College								

District / College	Total claimed - (offsets + avoided disposal) for 2001	Total claimed - (offsets + avoided disposal) for 2002	Total claimed - (offsets + avoided disposal) for 2003	Total claimed - (offsets + avoided disposal) for 2004	Total claimed - (offsets + avoided disposal) for 2005	Total claimed - (offsets + avoided disposal) for 2006	Total claimed - (offsets + avoided disposal) for 2007	Grand Total For All Years
	\$ (105,973.59)	\$ (91,365.78)	\$ (106,050.59)	\$ (96,710.98)	\$ (39,130.58)	\$ (123,975.15)	\$ (117,158.48)	\$ (680,365.15)
Yuba CCD								
Yuba College								
	\$ (12,880.59)	\$ (21,586.25)	\$ (21,248.02)	\$ (41,669.46)	\$ (182,486.12)	\$ (56,694.98)	\$ (26,149.84)	\$ (362,715.27)
<b>GRAND TOTAL</b>	<b>\$ (1,454,769.47)</b>	<b>\$ (109,573.99)</b>	<b>\$ 207,280.89</b>	<b>\$ (509,534.59)</b>	<b>\$ (2,397,305.81)</b>	<b>\$ (1,700,533.15)</b>	<b>\$ (1,514,132.40)</b>	<b>\$ (7,478,568.53)</b>

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District / College	Avoided Cost 2001	Avoided Cost 2002	Avoided Cost 2003	Avoided Cost 2004	Avoided Cost 2005	Avoided Cost 2006	<del>Avoided Cost 2007</del>	Grand Total For All Years
Landfill cost per ton	\$ 36.39	\$ 36.17	\$ 36.83	\$ 38.42	\$ 39.00	\$ 46.00	<del>\$ 49.00</del>	
Allan Hancock CCD	\$ 12,898.44	\$ 58,686.19	\$ 15,678.90	\$ 19,224.60	\$ 34,251.75	\$ 23,809.60	<del>\$ 46,574.99</del>	
Allan Hancock College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 12,898.44	\$ 58,686.19	\$ 15,678.90	\$ 19,224.60	\$ 34,251.75	\$ 23,809.60	\$ 46,574.99	\$ 211,124.46
Butte CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Butte College	\$ 140,510.89	\$ 39,841.26	\$ 40,434.55	\$ 42,795.27	\$ 43,669.47	\$ 50,620.70	\$ 53,343.85	
	\$ 140,510.89	\$ 39,841.26	\$ 40,434.55	\$ 42,795.27	\$ 43,669.47	\$ 50,620.70	\$ 53,343.85	\$ 411,215.98
Cabrillo CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Cabrillo College	\$ 7,433.75	\$ 8,477.52	\$ 15,803.75	\$ 9,953.09	\$ 9,086.22	\$ 11,676.64	\$ 12,300.96	
	\$ 7,433.75	\$ 8,477.52	\$ 15,803.75	\$ 9,953.09	\$ 9,086.22	\$ 11,676.64	\$ 12,300.96	\$ 74,731.93
Chabot-Las Positas CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Chabot College	\$ 15,935.18	\$ 15,412.04	\$ 16,278.86	\$ 16,336.18	\$ 14,594.19	\$ 24,228.20	\$ 56,415.17	
Las Positas College	\$ 4,570.58	\$ 4,864.87	\$ 6,062.22	\$ 7,380.48	\$ 5,100.42	\$ 18,082.60	\$ 7,608.97	
	\$ 20,505.77	\$ 20,276.90	\$ 22,341.08	\$ 23,716.67	\$ 19,694.61	\$ 42,310.80	\$ 64,024.14	\$ 212,869.96
Citrus CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Citrus College	\$ 77,880.02	\$ 43,047.73	\$ 38,148.88	\$ 17,523.78	\$ 23,800.18	\$ 175,911.77	\$ 150,622.33	
	\$ 77,880.02	\$ 43,047.73	\$ 38,148.88	\$ 17,523.78	\$ 23,800.18	\$ 175,911.77	\$ 150,622.33	\$ 526,934.69
Coast CCD	\$ 3,042.20	\$ 3,616.64	\$ 3,347.11	\$ 5,758.77	\$ 7,845.36	\$ 5,196.71	\$ 6,346.58	
Coastline Community College	\$ 3,640.46	\$ 3,657.04	\$ 5,851.55	\$ 5,185.05	\$ 8,134.50	\$ 13,262.49	\$ 6,673.21	
Golden West College	\$ 16,646.02	\$ 17,077.38	\$ 21,101.90	\$ 40,968.67	\$ 28,081.95	\$ 84,803.21	\$ 34,882.86	
Orange Coast College	\$ 54,714.91	\$ 27,944.44	\$ 41,899.10	\$ 54,368.14	\$ 46,801.17	\$ 77,922.16	\$ 187,207.44	
	\$ 78,043.60	\$ 52,295.49	\$ 72,199.65	\$ 106,280.63	\$ 90,862.98	\$ 181,184.57	\$ 235,110.09	\$ 815,977.01
Sequoias CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
College of the Sequoias	\$ 11,390.07	\$ 12,326.74	\$ 12,503.79	\$ 12,774.65	\$ 16,048.50	\$ 18,763.40	\$ 19,835.20	
	\$ 11,390.07	\$ 12,326.74	\$ 12,503.79	\$ 12,774.65	\$ 16,048.50	\$ 18,763.40	\$ 19,835.20	\$ 103,642.34
Contra Costa CCD	\$ 462.15	\$ 453.93	\$ 750.96	\$ 593.59	\$ 649.35	\$ 616.40	\$ 618.63	
Contra Costa College	\$ 2,216.15	\$ 3,121.47	\$ 3,319.86	\$ 5,755.32	\$ 5,495.10	\$ 6,517.74	\$ 21,320.39	
Diablo Valley College	\$ 4,779.10	\$ 6,584.75	\$ 7,775.55	\$ 9,545.45	\$ 8,788.65	\$ 8,864.20	\$ 34,707.68	



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District / College	Avoided Cost 2001	Avoided Cost 2002	Avoided Cost 2003	Avoided Cost 2004	Avoided Cost 2005	Avoided Cost 2006	Avoided Cost 2007	Grand Total For All Years
Landfill cost per ton	\$ 36.39	\$ 36.17	\$ 36.83	\$ 38.42	\$ 39.00	\$ 46.00	\$ 49.00	
Los Medanos College	\$ 2,241.62	\$ 3,023.81	\$ 3,577.11	\$ 6,045.39	\$ 5,967.00	\$ 5,416.50	\$ 23,793.91	
	\$ 9,699.03	\$ 13,183.97	\$ 15,423.48	\$ 21,939.74	\$ 20,900.10	\$ 21,414.84	\$ 80,440.61	\$ 183,001.76
El Camino CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
El Camino College	\$ 9,026.18	\$ 14,298.00	\$ 68,860.68	\$ 30,109.75	\$ 81,400.41	\$ 45,523.90	\$ 58,023.60	
Compton Community Educational Center	\$ -	\$ 12,205.93	\$ 18,442.99	\$ -	\$ 5,296.20	\$ 6,459.92	\$ 4,975.95	
	\$ 9,026.18	\$ 26,503.93	\$ 87,303.67	\$ 30,109.75	\$ 86,696.61	\$ 51,983.82	\$ 62,999.55	\$ 354,623.51
Foothill-DeAnza CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
DeAnza College	\$ 32,354.35	\$ 53,028.84	\$ 60,438.03	\$ 54,560.24	\$ 29,246.10	\$ 46,469.20	\$ 34,848.80	
Foothill College	\$ 29,888.93	\$ 239,980.72	\$ 21,240.23	\$ 25,622.30	\$ 177,391.50	\$ 96,991.00	\$ 48,637.40	
	\$ 62,243.28	\$ 293,009.55	\$ 81,678.26	\$ 80,182.54	\$ 206,637.60	\$ 143,460.20	\$ 83,486.20	\$ 950,697.63
Gavilan Joint CCD	\$ 4,395.91	\$ 962.12	\$ 22,934.04	\$ 9,977.67	\$ 13,724.10	\$ 462,088.40	\$ 12,725.30	
Gavilan College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 4,395.91	\$ 962.12	\$ 22,934.04	\$ 9,977.67	\$ 13,724.10	\$ 462,088.40	\$ 12,725.30	\$ 526,807.55
Glendale CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Glendale Community College	\$ 67,633.54	\$ 24,092.11	\$ 20,052.83	\$ 18,820.04	\$ 19,254.69	\$ 20,434.58	\$ 24,842.51	
	\$ 67,633.54	\$ 24,092.11	\$ 20,052.83	\$ 18,820.04	\$ 19,254.69	\$ 20,434.58	\$ 24,842.51	\$ 195,130.30
Grossmont-Cuyamaca CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Cuyamaca College	\$ 8,082.58	\$ 9,992.69	\$ 9,189.82	\$ 44,981.75	\$ 51,054.08	\$ 14,811.08	\$ 15,052.31	
Grossmont College	\$ 179,799.35	\$ 14,593.87	\$ 16,097.29	\$ 138,480.66	\$ 770,299.14	\$ 18,147.46	\$ 69,446.72	
	\$ 187,881.93	\$ 24,586.56	\$ 25,287.11	\$ 183,462.42	\$ 821,353.22	\$ 32,958.54	\$ 84,499.03	\$ 1,360,028.81
Hartnell CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Hartnell Community College	\$ 9,850.77	\$ 11,350.51	\$ 11,983.01	\$ 30,470.90	\$ 13,861.77	\$ 15,832.28	\$ 81,052.86	
	\$ 9,850.77	\$ 11,350.51	\$ 11,983.01	\$ 30,470.90	\$ 13,861.77	\$ 15,832.28	\$ 81,052.86	\$ 174,402.10
Lassen CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Lassen College	\$ 12,649.89	\$ 13,968.85	\$ 9,951.47	\$ 13,079.32	\$ 11,591.97	\$ 14,887.90	\$ 14,577.99	
	\$ 12,649.89	\$ 13,968.85	\$ 9,951.47	\$ 13,079.32	\$ 11,591.97	\$ 14,887.90	\$ 14,577.99	\$ 90,707.39

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District / College	Avoided Cost 2001	Avoided Cost 2002	Avoided Cost 2003	Avoided Cost 2004	Avoided Cost 2005	Avoided Cost 2006	Avoided Cost 2007	Grand Total For All Years
Landfill cost per ton	\$ 36.39	\$ 36.17	\$ 36.83	\$ 38.42	\$ 39.00	\$ 46.00	<del>\$ 49.00</del>	
Long Beach CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Long Beach City College	\$ 8,442.48	\$ 11,914.40	\$ 12,142.85	\$ 190,270.06	\$ 15,359.76	\$ 28,050.80	\$ 17,461.64	
	\$ 8,442.48	\$ 11,914.40	\$ 12,142.85	\$ 190,270.06	\$ 15,359.76	\$ 28,050.80	\$ 17,461.64	\$ 283,641.98
Los Rios CCD	\$ 1,676.12	\$ 2,536.78	\$ 2,386.47	\$ 2,548.01	\$ 3,563.43	\$ 3,013.55	\$ 3,358.80	
American River College	\$ 10,192.11	\$ 16,360.41	\$ 20,682.99	\$ 24,871.96	\$ 24,963.51	\$ 29,823.64	\$ 32,529.14	
Cosumnes River College	\$ 4,919.93	\$ 39,787.40	\$ 7,275.55	\$ 7,805.60	\$ 79,703.52	\$ 31,698.60	\$ 21,073.43	
Folsom Lake College	\$ -	\$ -	\$ -	\$ -	\$ 1,107,929.20	\$ 3,039.68	\$ 3,390.95	
Sacramento City College	\$ 2,867.17	\$ 11,460.46	\$ 10,382.75	\$ 12,514.55	\$ 13,676.52	\$ 15,381.94	\$ 16,503.20	
	\$ 19,655.33	\$ 70,145.06	\$ 40,727.76	\$ 47,740.12	\$ 1,229,836.18	\$ 82,957.41	\$ 76,855.52	\$ 1,567,917.37
Marin CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
College of Marin	\$ 6,328.95	\$ 8,319.10	\$ 6,279.15	\$ 6,689.31	\$ 6,134.31	\$ 8,623.62	\$ 7,396.06	
	\$ 6,328.95	\$ 8,319.10	\$ 6,279.15	\$ 6,689.31	\$ 6,134.31	\$ 8,623.62	\$ 7,396.06	\$ 49,770.49
Merced CCD	\$ 96,369.45	\$ 479.61	\$ -	\$ -	\$ -	\$ -	\$ -	
Merced College	\$ 93,531.03	\$ 20,609.67	\$ 23,141.03	\$ 36,825.19	\$ 45,099.21	\$ 43,589.60	\$ 46,244.24	
	\$ 189,900.49	\$ 21,089.28	\$ 23,141.03	\$ 36,825.19	\$ 45,099.21	\$ 43,589.60	\$ 46,244.24	\$ 405,889.03
MiraCosta CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
MiraCosta College	\$ 4,475.97	\$ 7,197.83	\$ 30,858.02	\$ 15,185.89	\$ 53,120.26	\$ 71,094.70	\$ 53,322.63	
	\$ 4,475.97	\$ 7,197.83	\$ 30,858.02	\$ 15,185.89	\$ 53,120.26	\$ 71,094.70	\$ 53,322.63	\$ 235,255.30
Monterey CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Monterey Peninsula College	\$ 4,995.62	\$ 7,797.53	\$ 7,418.67	\$ 13,562.26	\$ 10,310.43	\$ 11,389.60	\$ 12,558.70	
	\$ 4,995.62	\$ 7,797.53	\$ 7,418.67	\$ 13,562.26	\$ 10,310.43	\$ 11,389.60	\$ 12,558.70	\$ 68,032.80
Mt. San Antonio CCD	\$ 14,546.17	\$ 18,580.17	\$ 19,429.67	\$ 29,518.85	\$ 27,925.56	\$ 37,847.42	\$ 38,030.37	
Mt. San Antonio College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 14,546.17	\$ 18,580.17	\$ 19,429.67	\$ 29,518.85	\$ 27,925.56	\$ 37,847.42	\$ 38,030.37	\$ 185,878.21
North Orange Cty CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Cypress College	\$ 1,146.29	\$ 13,146.71	\$ 15,485.91	\$ 25,016.80	\$ 43,624.62	\$ 28,653.40	\$ 33,754.63	

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District / College	Avoided Cost 2001	Avoided Cost 2002	Avoided Cost 2003	Avoided Cost 2004	Avoided Cost 2005	Avoided Cost 2006	Avoided Cost 2007	Grand Total For All Years
Landfill cost per ton	\$ 36.39	\$ 36.17	\$ 36.83	\$ 38.42	\$ 39.00	\$ 46.00	<del>\$ 49.00</del>	
Fullerton College	\$ 280.57	\$ 17,914.75	\$ 55,345.66	\$ 56,346.89	\$ 58,599.18	\$ 191,717.10	<del>\$ 2,914.32</del>	
	\$ 1,426.85	\$ 31,061.46	\$ 70,831.57	\$ 81,363.69	\$ 102,223.80	\$ 220,370.50	\$ 36,668.95	\$ 543,946.81
Palo Verde CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Palo Verde College	\$ -	\$ 2,188.29	\$ 2,265.05	\$ 1,085.37	\$ 6,405.75	\$ 5,014.00	\$ 6,529.25	
	\$ -	\$ 2,188.29	\$ 2,265.05	\$ 1,085.37	\$ 6,405.75	\$ 5,014.00	\$ 6,529.25	\$ 23,487.70
Palomar CCD	\$ 10,892.07	\$ 19,027.73	\$ 12,101.97	\$ 27,658.37	\$ 60,461.47	\$ 26,242.26	\$ 30,766.86	
Palomar College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 10,892.07	\$ 19,027.73	\$ 12,101.97	\$ 27,658.37	\$ 60,461.47	\$ 26,242.26	\$ 30,766.86	\$ 187,150.73
Pasadena CCD	\$ 5,775.09	\$ 8,005.51	\$ 13,507.40	\$ 28,267.13	\$ 29,476.67	\$ 206,035.01	\$ 23,677.93	
Pasadena City College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 5,775.09	\$ 8,005.51	\$ 13,507.40	\$ 28,267.13	\$ 29,476.67	\$ 206,035.01	\$ 23,677.93	\$ 314,744.74
Rancho Santiago CCD	\$ 1,893.19	\$ 2,300.05	\$ 2,145.35	\$ 3,369.82	\$ 1,857.57	\$ 1,426.00	\$ 1,567.36	
Santa Ana College	\$ 1,183.04	\$ 14,755.19	\$ 12,746.86	\$ 22,414.19	\$ 28,720.81	\$ 28,541.62	\$ 31,082.66	
	\$ 3,076.23	\$ 17,055.24	\$ 14,892.21	\$ 25,784.01	\$ 30,578.38	\$ 29,967.62	\$ 32,650.02	\$ 154,003.71
Santiago Canyon College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Redwoods CCD	\$ 786.02	\$ 1,150.21	\$ 2,781.25	\$ 4,308.80	\$ 4,621.11	\$ 7,326.42	\$ 14,085.05	
College of the Redwoods	\$ 42,561.02	\$ 13,087.03	\$ 10,123.50	\$ 10,595.20	\$ 8,517.17	\$ 9,900.12	\$ 20,711.81	
	\$ 43,347.04	\$ 14,237.24	\$ 12,904.75	\$ 14,904.00	\$ 13,138.28	\$ 17,226.54	\$ 34,796.86	\$ 150,554.71
San Bernardino CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Crafton Hills College	\$ 22,434.44	\$ 23,394.76	\$ 24,270.97	\$ 25,464.78	\$ 25,454.91	\$ 18,739.02	\$ 29,902.25	
San Bernardino Valley College	\$ 13,908.26	\$ 19,076.06	\$ 35,538.74	\$ 18,776.62	\$ 241,390.11	\$ 344,128.30	\$ 990,051.37	
	\$ 36,342.69	\$ 42,470.81	\$ 59,809.71	\$ 44,241.40	\$ 266,845.02	\$ 362,867.32	\$ 1,019,953.62	\$ 1,832,530.58
San Joaquin Delta CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
San Joaquin Delta College	\$ 16,534.09	\$ 11,376.15	\$ 21,616.78	\$ 24,257.00	\$ 32,345.00	\$ 28,926.36	\$ 33,623.31	
	\$ 16,534.09	\$ 11,376.15	\$ 21,616.78	\$ 24,257.00	\$ 32,345.00	\$ 28,926.36	\$ 33,623.31	\$ 168,678.70
San Jose CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

District / College	Avoided Cost 2001	Avoided Cost 2002	Avoided Cost 2003	Avoided Cost 2004	Avoided Cost 2005	Avoided Cost 2006	Avoided Cost 2007	Grand Total For All Years
Landfill cost per ton	\$ 36.39	\$ 36.17	\$ 36.83	\$ 38.42	\$ 39.00	\$ 46.00	\$ 49.00	
Evergreen valley College	\$ 9,446.84	\$ 31,721.81	\$ 28,128.99	\$ 29,191.29	\$ 34,148.36	\$ 34,656.08	\$ 30,805.86	
San Jose City College	\$ 10,041.82	\$ 16,153.16	\$ 8,399.93	\$ 19,877.85	\$ 10,347.64	\$ 166,758.97	\$ 16,725.42	
	\$ 19,488.66	\$ 47,874.97	\$ 36,528.91	\$ 49,069.14	\$ 44,496.00	\$ 201,415.05	\$ 47,531.27	\$ 446,404.01
San Luis Obispo CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Cuesta College	\$ 14,154.84	\$ 13,404.96	\$ 16,676.26	\$ 13,242.22	\$ 14,828.00	\$ 17,394.90	\$ 23,889.46	
	\$ 14,154.84	\$ 13,404.96	\$ 16,676.26	\$ 13,242.22	\$ 14,828.00	\$ 17,394.90	\$ 23,889.46	\$ 113,590.63
San Mateo Co CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
College of San Mateo	\$ 6,096.78	\$ 17,866.89	\$ 21,602.38	\$ 139,365.09	\$ 19,560.84	\$ 29,220.67	\$ 22,601.25	
Skyline College	\$ 13,068.09	\$ 10,780.47	\$ 10,726.37	\$ 12,508.13	\$ 12,074.40	\$ 57,144.47	\$ 49,543.02	
	\$ 19,164.87	\$ 28,647.36	\$ 32,328.75	\$ 151,873.22	\$ 31,635.24	\$ 86,365.14	\$ 72,144.27	\$ 422,158.85
Santa Clarita CCD	\$ 10,471.22	\$ 11,556.32	\$ 16,774.22	\$ 17,932.54	\$ 19,513.65	\$ 25,042.40	\$ 29,694.00	
College of the Canyons	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 10,471.22	\$ 11,556.32	\$ 16,774.22	\$ 17,932.54	\$ 19,513.65	\$ 25,042.40	\$ 29,694.00	\$ 130,984.35
Santa Monica CCD	\$ 994,431.35	\$ 97,145.39	\$ 217,496.99	\$ 346,715.14	\$ 290,473.17	\$ 488,949.64	\$ 327,850.18	
Santa Monica College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 994,431.35	\$ 97,145.39	\$ 217,496.99	\$ 346,715.14	\$ 290,473.17	\$ 488,949.64	\$ 327,850.18	\$ 2,763,061.86
Shasta Tehama CCD	\$ 5,074.95	\$ 17,259.96	\$ 7,966.70	\$ 57,606.60	\$ 15,253.68	\$ 19,997.86	\$ 18,083.25	
Shasta College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 5,074.95	\$ 17,259.96	\$ 7,966.70	\$ 57,606.60	\$ 15,253.68	\$ 19,997.86	\$ 18,083.25	\$ 141,243.00
Sierra Joint CCD	\$ 7,441.76	\$ 10,422.39	\$ 14,958.87	\$ 20,504.75	\$ 21,989.37	\$ 26,471.16	\$ 28,738.50	
Sierra College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 7,441.76	\$ 10,422.39	\$ 14,958.87	\$ 20,504.75	\$ 21,989.37	\$ 26,471.16	\$ 28,738.50	\$ 130,526.80
Siskiyou CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
College of the Siskiyous	\$ 7,202.67	\$ 17,743.56	\$ 5,516.40	\$ 17,513.37	\$ 15,415.53	\$ 16,526.42	\$ 16,452.24	
	\$ 7,202.67	\$ 17,743.56	\$ 5,516.40	\$ 17,513.37	\$ 15,415.53	\$ 16,526.42	\$ 16,452.24	\$ 96,370.19
Solano Co CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	



District / College	Avoided Cost 2001	Avoided Cost 2002	Avoided Cost 2003	Avoided Cost 2004	Avoided Cost 2005	Avoided Cost 2006	Avoided Cost 2007	Grand Total For All Years
Landfill cost per ton	\$ 36.39	\$ 36.17	\$ 36.83	\$ 38.42	\$ 39.00	\$ 46.00	<del>\$ 49.00</del>	
Solano Community College	\$ 27,769.21	\$ 149,566.57	\$ 30,519.92	\$ 35,637.85	\$ 32,687.30	\$ 35,202.42	\$ 38,327.75	
	\$ 27,769.21	\$ 149,566.57	\$ 30,519.92	\$ 35,637.85	\$ 32,687.30	\$ 35,202.42	\$ 38,327.75	\$ 349,711.02
State Center CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fresno City College	\$ 14,495.59	\$ 11,320.12	\$ 12,458.48	\$ 14,579.24	\$ 14,660.49	\$ 17,456.54	\$ 16,964.78	
Reedley College	\$ 13,227.77	\$ 14,757.36	\$ 14,818.92	\$ 24,158.88	\$ 25,174.50	\$ 29,237.60	\$ 28,748.30	
	\$ 27,723.36	\$ 26,077.48	\$ 27,277.40	\$ 38,738.12	\$ 39,834.99	\$ 46,694.14	\$ 45,713.08	\$ 252,058.57
Victor Valley CCD	\$ 13,133.51	\$ 12,673.06	\$ 13,159.36	\$ 23,109.63	\$ 19,132.62	\$ 80,315.54	\$ 21,930.15	
Victor Valley College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 13,133.51	\$ 12,673.06	\$ 13,159.36	\$ 23,109.63	\$ 19,132.62	\$ 80,315.54	\$ 21,930.15	\$ 183,453.87
West Kern CCD	\$ 2,893.01	\$ 3,012.96	\$ 3,237.36	\$ 3,638.37	\$ 3,613.35	\$ 14,408.58	\$ 9,604.00	
Taft College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 2,893.01	\$ 3,012.96	\$ 3,237.36	\$ 3,638.37	\$ 3,613.35	\$ 14,408.58	\$ 9,604.00	\$ 40,407.63
West Valley-Mission CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Mission College	\$ 10,653.17	\$ 7,476.34	\$ 15,092.57	\$ 16,286.24	\$ 15,892.50	\$ 17,504.38	\$ 19,429.48	
	\$ 10,653.17	\$ 7,476.34	\$ 15,092.57	\$ 16,286.24	\$ 15,892.50	\$ 17,504.38	\$ 19,429.48	\$ 102,334.68
Yosemite CCD	\$ 68,733.80	\$ 71,285.64	\$ 76,429.62	\$ 57,126.31	\$ 37,918.14	\$ 137,038.60	\$ 43,932.42	
West Valley College	\$ 10,931.92	\$ 14,945.44	\$ 23,601.77	\$ 24,700.22	\$ 20,920.38	\$ 19,562.88	\$ 193,402.02	
	\$ 79,665.72	\$ 86,231.09	\$ 100,031.38	\$ 81,826.53	\$ 58,838.52	\$ 156,601.48	\$ 237,334.44	\$ 800,529.16
Columbia College CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Modesto Junior College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Yuba CCD	\$ 18,242.31	\$ 18,373.49	\$ 15,238.08	\$ 21,656.36	\$ 162,123.39	\$ 42,854.89	\$ 37,483.58	
Yuba College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 18,242.31	\$ 18,373.49	\$ 15,238.08	\$ 21,656.36	\$ 162,123.39	\$ 42,854.89	\$ 37,483.58	\$ 315,972.09
GRAND TOTAL	\$ 2,335,292.73	\$ 1,480,541.11	\$ 1,392,454.20	\$ 2,103,013.79	\$ 4,146,421.15	\$ 3,723,284.80	\$ 3,471,177.20	\$ 18,652,184.99



District / College	Total Estimated Available Revenue for Total Materials / College 2001	Total Estimated Available Revenue for Total Materials / College 2002	Total Estimated Available Revenue for Total Materials / College 2003	Total Estimated Available Revenue for Total Materials / College 2004	Total Estimated Available Revenue for Total Materials / College 2005	Total Estimated Available Revenue for Total Materials / College 2006	Total Estimated Available Revenue for Total Materials / College 2007	Total Estimated Available Revenue for Total Materials / College for all
Allan Hancock CCD	\$ 7,062.63	\$ 11,412.03	\$ 5,880.88	\$ 10,759.37	\$ 12,127.03	\$ 10,984.94	\$ 17,070.09	\$ 75,296.98
Allan Hancock College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 7,062.63	\$ 11,412.03	\$ 5,880.88	\$ 10,759.37	\$ 12,127.03	\$ 10,984.94	\$ 17,070.09	\$ 75,296.98
Butte CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Butte College	\$ 3,023.82	\$ 3,313.43	\$ 5,827.23	\$ 6,900.65	\$ 11,570.18	\$ 11,588.36	\$ 17,540.28	\$ 59,763.96
	\$ 3,023.82	\$ 3,313.43	\$ 5,827.23	\$ 6,900.65	\$ 11,570.18	\$ 11,588.36	\$ 17,540.28	\$ 59,763.96
Cabrillo CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cabrillo College	\$ 6,684.69	\$ 8,701.65	\$ 7,014.79	\$ 8,190.85	\$ 6,295.25	\$ 8,137.06	\$ 13,612.27	\$ 58,636.56
	\$ 6,684.69	\$ 8,701.65	\$ 7,014.79	\$ 8,190.85	\$ 6,295.25	\$ 8,137.06	\$ 13,612.27	\$ 58,636.56
Chabot-Las Positas CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chabot College	\$ 5,087.37	\$ 7,479.29	\$ 8,299.46	\$ 4,440.79	\$ 4,343.06	\$ 5,439.09	\$ 20,058.18	\$ 55,147.23
Las Positas College	\$ 1,953.45	\$ 2,046.69	\$ 2,171.76	\$ 646.65	\$ 1,748.27	\$ 2,294.69	\$ 3,320.36	\$ 14,181.87
	\$ 7,040.82	\$ 9,525.97	\$ 10,471.23	\$ 5,087.44	\$ 6,091.32	\$ 7,733.78	\$ 23,378.54	\$ -
Citrus CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Citrus College	\$ 1,910.73	\$ 3,004.91	\$ 2,776.59	\$ 4,304.69	\$ 3,357.02	\$ 13,546.48	\$ 17,281.37	\$ 46,181.79
	\$ 1,910.73	\$ 3,004.91	\$ 2,776.59	\$ 4,304.69	\$ 3,357.02	\$ 13,546.48	\$ 17,281.37	\$ 46,181.79
Coast CCD	\$ 742.87	\$ 1,263.62	\$ 1,318.97	\$ 1,941.99	\$ 2,657.46	\$ 855.47	\$ 1,473.86	\$ 10,254.25
Coastline Community College	\$ 294.98	\$ 506.02	\$ 718.91	\$ 660.08	\$ 2,267.19	\$ 1,643.03	\$ 3,595.39	\$ 9,685.60
Golden West College	\$ 2,590.86	\$ 3,004.83	\$ 4,895.22	\$ 8,704.43	\$ 10,181.55	\$ 8,083.98	\$ 13,065.76	\$ 50,526.62
Orange Coast College	\$ 16,992.27	\$ 12,549.77	\$ 16,713.32	\$ 21,188.47	\$ 19,785.02	\$ 25,603.69	\$ 54,369.79	\$ 167,202.32
	\$ 20,620.99	\$ 17,324.24	\$ 23,646.42	\$ 32,494.97	\$ 34,891.21	\$ 36,186.16	\$ 72,504.61	\$ 237,668.80
Sequoias CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College of the Sequoias	\$ 5,128.85	\$ 6,711.29	\$ 8,182.90	\$ 10,183.76	\$ 11,968.69	\$ 14,360.01	\$ 22,895.28	\$ 79,430.78
	\$ 5,128.85	\$ 6,711.29	\$ 8,182.90	\$ 10,183.76	\$ 11,968.69	\$ 14,360.01	\$ 22,895.28	\$ 79,430.78
Contra Costa CCD	\$ 1,026.27	\$ 1,088.23	\$ 1,337.46	\$ 1,734.27	\$ 2,304.04	\$ 1,770.52	\$ 1,491.41	\$ 10,752.20
Contra Costa College	\$ 4,344.51	\$ 5,930.25	\$ 6,831.49	\$ 9,271.61	\$ 9,816.57	\$ 6,401.14	\$ 22,010.10	\$ 64,605.67
Diablo Valley College	\$ 2,282.02	\$ 4,169.38	\$ 4,726.35	\$ 6,732.82	\$ 9,046.73	\$ 8,209.67	\$ 10,826.50	\$ 45,993.47
Los Medanos College	\$ 5,217.60	\$ 5,692.94	\$ 6,460.48	\$ 8,784.35	\$ 10,346.26	\$ 6,592.04	\$ 6,639.41	\$ 49,733.08
	\$ 12,870.41	\$ 16,880.79	\$ 19,355.78	\$ 26,523.05	\$ 31,513.60	\$ 22,973.36	\$ 40,967.42	\$ 171,084.41
El Camino CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
El Camino College	\$ 2,170.92	\$ 3,383.13	\$ 2,392.30	\$ 3,983.50	\$ 9,858.40	\$ 8,393.22	\$ 15,127.21	\$ 45,308.68
Compton Community Educational Center	\$ -	\$ 3,115.24	\$ 1,010.00	\$ -	\$ 3,787.51	\$ 1,737.89	\$ 753.44	\$ 10,404.08

District / College	Total Estimated Available Revenue for Total Materials / College 2001	Total Estimated Available Revenue for Total Materials / College 2002	Total Estimated Available Revenue for Total Materials / College 2003	Total Estimated Available Revenue for Total Materials / College 2004	Total Estimated Available Revenue for Total Materials / College 2005	Total Estimated Available Revenue for Total Materials / College 2006	Total Estimated Available Revenue for Total Materials / College 2007	Total Estimated Available Revenue for Total Materials / College for all
	\$ 2,170.92	\$ 6,488.37	\$ 3,402.30	\$ 3,983.50	\$ 13,645.92	\$ 10,131.11	\$ 15,880.65	\$ 55,712.76
Foothill-DeAnza CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DeAnza College	\$ 7,843.06	\$ 7,694.99	\$ 11,661.38	\$ 17,909.13	\$ 13,802.10	\$ 15,483.93	\$ 25,990.52	\$ 100,385.11
Foothill College	\$ 6,457.09	\$ 13,650.92	\$ 14,975.62	\$ 17,588.19	\$ 27,349.27	\$ 26,172.76	\$ 44,300.19	\$ 150,494.04
	\$ 14,300.15	\$ 21,345.91	\$ 26,637.00	\$ 35,497.32	\$ 41,151.37	\$ 41,656.69	\$ 70,290.71	\$ 250,879.14
Gavilan Joint CCD	\$ 1,487.42	\$ 4,286.32	\$ 9,508.19	\$ 11,167.87	\$ 11,004.42	\$ 14,730.39	\$ 19,228.63	\$ 71,413.24
Gavilan College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 1,487.42	\$ 4,286.32	\$ 9,508.19	\$ 11,167.87	\$ 11,004.42	\$ 14,730.39	\$ 19,228.63	\$ 71,413.24
Glendale CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Glendale Community College	\$ 4,251.68	\$ 2,615.50	\$ 1,714.37	\$ 3,573.50	\$ 3,397.19	\$ 1,992.43	\$ 4,081.15	\$ 21,625.82
	\$ 4,251.68	\$ 2,615.50	\$ 1,714.37	\$ 3,573.50	\$ 3,397.19	\$ 1,992.43	\$ 4,081.15	\$ 21,625.82
Grossmont-Cuyamaca CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cuyamaca College	\$ 550.53	\$ 1,455.20	\$ 1,012.79	\$ 1,587.54	\$ 730.52	\$ 652.18	\$ 4,913.85	\$ 10,902.61
Grossmont College	\$ 4,976.27	\$ 5,353.08	\$ 5,150.20	\$ 5,994.47	\$ 6,197.52	\$ 8,755.47	\$ 13,496.23	\$ 49,923.25
	\$ 5,526.80	\$ 6,808.29	\$ 6,163.00	\$ 7,582.01	\$ 6,928.05	\$ 9,407.65	\$ 18,410.08	\$ 60,825.86
Hartnell CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hartnell Community College	\$ 4,024.22	\$ 4,629.29	\$ 5,648.11	\$ 6,381.46	\$ 9,233.78	\$ 10,510.42	\$ 13,728.49	\$ 54,155.77
	\$ 4,024.22	\$ 4,629.29	\$ 5,648.11	\$ 6,381.46	\$ 9,233.78	\$ 10,510.42	\$ 13,728.49	\$ 54,155.77
Lassen CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lassen College	\$ 2,726.17	\$ 1,931.85	\$ 1,500.00	\$ 2,629.35	\$ 2,163.70	\$ 4,023.76	\$ 8,568.92	\$ 23,543.75
	\$ 2,726.17	\$ 1,931.85	\$ 1,500.00	\$ 2,629.35	\$ 2,163.70	\$ 4,023.76	\$ 8,568.92	\$ 23,543.75
Long Beach CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Long Beach City College	\$ 2,369.83	\$ 1,540.45	\$ 5,271.45	\$ 6,517.66	\$ 1,807.42	\$ 3,510.33	\$ 3,745.42	\$ 24,762.56
	\$ 2,369.83	\$ 1,540.45	\$ 5,271.45	\$ 6,517.66	\$ 1,807.42	\$ 3,510.33	\$ 3,745.42	\$ 24,762.56
Los Rios CCD	\$ 570.11	\$ 1,140.59	\$ 1,951.34	\$ 2,932.98	\$ 3,055.31	\$ 309.62	\$ 850.07	\$ 10,810.02
American River College	\$ 17,955.75	\$ 36,523.96	\$ 40,950.75	\$ 55,630.70	\$ 64,384.00	\$ 64,943.62	\$ 69,002.43	\$ 349,391.21
Cosumnes River College	\$ 3,020.27	\$ 4,165.53	\$ 2,273.05	\$ 8,415.41	\$ 5,251.28	\$ 5,296.95	\$ 11,033.52	\$ 39,456.02
Folsom Lake College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sacramento City College	\$ 2,119.41	\$ 2,553.28	\$ -	\$ 1,197.11	\$ -	\$ 856.50	\$ 1,174.86	\$ 3,175.40
	\$ 23,665.54	\$ 44,383.36	\$ 45,175.14	\$ 68,176.20	\$ 73,834.63	\$ 71,406.69	\$ 82,060.88	\$ 408,702.45
Merlin CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College of Marin	\$ 7,302.27	\$ 2,149.52	\$ 3,770.94	\$ 4,866.84	\$ 4,805.04	\$ 8,083.56	\$ 12,441.08	\$ 43,419.26

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District / College	Total Estimated Available Revenue for Total Materials / College 2001	Total Estimated Available Revenue for Total Materials / College 2002	Total Estimated Available Revenue for Total Materials / College 2003	Total Estimated Available Revenue for Total Materials / College 2004	Total Estimated Available Revenue for Total Materials / College 2005	Total Estimated Available Revenue for Total Materials / College 2006	Total Estimated Available Revenue for Total Materials / College 2007	Total Estimated Available Revenue for Total Materials / College for all
	\$ 7,302.27	\$ 2,149.52	\$ 3,770.94	\$ 4,866.84	\$ 4,805.04	\$ 8,083.56	\$ 12,441.08	\$ 43,419.26
Merced CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Merced College	\$ 10,288.44	\$ 77.29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 10,288.44	\$ 5,460.96	\$ 5,273.23	\$ 5,497.08	\$ 5,467.81	\$ 7,001.13	\$ 17,698.55	\$ 56,687.20
	\$ 20,576.88	\$ 5,538.25	\$ 5,273.23	\$ 5,497.08	\$ 5,467.81	\$ 7,001.13	\$ 17,698.55	\$ 67,052.93
MiraCosta CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MiraCosta College	\$ 3,071.89	\$ 3,598.09	\$ 7,543.43	\$ 1,320.00	\$ 2,774.87	\$ 6,059.02	\$ 9,240.07	\$ 33,607.38
	\$ 3,071.89	\$ 3,598.09	\$ 7,543.43	\$ 1,320.00	\$ 2,774.87	\$ 6,059.02	\$ 9,240.07	\$ 33,607.38
Monterey CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monterey Peninsula College	\$ 7,933.25	\$ 10,984.90	\$ 12,776.14	\$ 14,497.10	\$ 14,732.70	\$ 18,244.34	\$ 27,144.15	\$ 106,312.56
	\$ 7,933.25	\$ 10,984.90	\$ 12,776.14	\$ 14,497.10	\$ 14,732.70	\$ 18,244.34	\$ 27,144.15	\$ 106,312.56
Mt. San Antonio CCD	\$ 2,863.69	\$ 5,368.64	\$ 4,131.94	\$ 4,732.54	\$ 4,457.24	\$ 2,876.44	\$ 4,483.65	\$ 28,914.14
Mt. San Antonio College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 2,863.69	\$ 5,368.64	\$ 4,131.94	\$ 4,732.54	\$ 4,457.24	\$ 2,876.44	\$ 4,483.65	\$ 28,914.14
North Orange Cty CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cypress College	\$ 1,332.07	\$ 18,697.34	\$ 19,300.38	\$ 6,322.71	\$ 39,092.99	\$ 5,695.06	\$ 13,654.72	\$ 104,095.27
Fullerton College	\$ 346.49	\$ 30,465.51	\$ 39,238.36	\$ 47,048.79	\$ 52,108.81	\$ 43,207.50	\$ 72,248.76	\$ 284,664.22
	\$ 1,678.56	\$ 49,162.85	\$ 58,538.74	\$ 53,371.49	\$ 91,201.80	\$ 48,902.55	\$ 85,903.48	\$ 388,759.48
Palo Verde CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Palo Verde College	\$ -	\$ 1,299.26	\$ 1,698.86	\$ 1,536.85	\$ 2,499.30	\$ 3,014.29	\$ 5,551.95	\$ 15,600.50
	\$ -	\$ 1,299.26	\$ 1,698.86	\$ 1,536.85	\$ 2,499.30	\$ 3,014.29	\$ 5,551.95	\$ 15,600.50
Palomar CCD	\$ 7,897.72	\$ 10,315.69	\$ 8,601.18	\$ 11,312.81	\$ 10,151.94	\$ 11,518.48	\$ 17,183.37	\$ 76,981.20
Palomar College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 7,897.72	\$ 10,315.69	\$ 8,601.18	\$ 11,312.81	\$ 10,151.94	\$ 11,518.48	\$ 17,183.37	\$ 76,981.20
Pasadena CCD	\$ 1,157.17	\$ 3,969.83	\$ 6,853.28	\$ 3,561.55	\$ 12,146.75	\$ 6,933.48	\$ 11,056.83	\$ 45,678.89
Pasadena City College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 1,157.17	\$ 3,969.83	\$ 6,853.28	\$ 3,561.55	\$ 12,146.75	\$ 6,933.48	\$ 11,056.83	\$ 45,678.89
Rancho Santiago CCD	\$ 186.25	\$ 222.65	\$ 697.88	\$ 526.34	\$ 533.72	\$ 836.64	\$ 1,317.22	\$ 4,320.70
Santa Ana College	\$ 891.83	\$ 1,992.87	\$ 934.74	\$ 2,523.27	\$ 4,386.03	\$ 4,216.78	\$ 4,880.22	\$ 19,825.75
	\$ 1,078.08	\$ 2,215.52	\$ 1,632.62	\$ 3,049.61	\$ 4,919.76	\$ 5,053.42	\$ 6,197.45	\$ 24,146.45
Santiago Canyon College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Redwoods CCD	\$ 1,633.34	\$ 2,586.21	\$ 5,729.97	\$ 8,261.74	\$ 7,339.16	\$ 15,448.46	\$ 33,467.86	\$ 74,466.74

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District / College	Total Estimated Available Revenue for Total Materials / College 2001	Total Estimated Available Revenue for Total Materials / College 2002	Total Estimated Available Revenue for Total Materials / College 2003	Total Estimated Available Revenue for Total Materials / College 2004	Total Estimated Available Revenue for Total Materials / College 2005	Total Estimated Available Revenue for Total Materials / College 2006	Total Estimated Available Revenue for Total Materials / College 2007	Total Estimated Available Revenue for Total Materials / College for all
College of the Redwoods	\$ 4,972.39	\$ 5,186.22	\$ 5,809.84	\$ 4,859.79	\$ 4,588.37	\$ 3,234.32	\$ 11,435.33	\$ 40,086.27
	\$ 6,605.74	\$ 7,772.43	\$ 11,539.81	\$ 13,121.53	\$ 11,927.53	\$ 18,682.79	\$ 44,903.19	\$ 114,553.02
San Bernardino CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Crafton Hills College	\$ 1,923.05	\$ 1,539.12	\$ 1,904.95	\$ 2,371.13	\$ 2,219.52	\$ 3,258.08	\$ 7,226.46	\$ 20,442.31
San Bernardino Valley College	\$ 1,155.83	\$ 1,412.45	\$ 1,842.64	\$ 7,452.23	\$ 6,816.74	\$ 6,450.70	\$ 12,932.94	\$ 38,063.52
	\$ 3,078.88	\$ 2,951.57	\$ 3,747.58	\$ 9,823.36	\$ 9,036.26	\$ 9,708.78	\$ 20,159.40	\$ 58,505.83
San Joaquin Delta CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
San Joaquin Delta College	\$ 6,294.55	\$ 5,086.25	\$ 7,072.69	\$ 13,796.60	\$ 10,526.30	\$ 9,095.57	\$ 12,355.76	\$ 64,227.73
	\$ 6,294.55	\$ 5,086.25	\$ 7,072.69	\$ 13,796.60	\$ 10,526.30	\$ 9,095.57	\$ 12,355.76	\$ 64,227.73
San Jose CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Evergreen Valley College	\$ 3,963.82	\$ 1,615.75	\$ 1,787.70	\$ 2,189.17	\$ 900.68	\$ 5,268.50	\$ 4,226.84	\$ 19,952.46
San Jose City College	\$ 3,777.54	\$ 6,056.32	\$ 4,735.22	\$ 5,141.86	\$ 5,647.84	\$ 6,861.17	\$ 9,358.09	\$ 41,578.03
	\$ 7,741.36	\$ 7,672.07	\$ 6,522.92	\$ 7,331.02	\$ 6,548.52	\$ 12,129.66	\$ 13,584.93	\$ 61,530.49
San Luis Obispo CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cuesta College	\$ 9,032.93	\$ 4,414.67	\$ 2,854.50	\$ 5,267.54	\$ 6,097.33	\$ 5,142.54	\$ 11,093.21	\$ 43,902.72
	\$ 9,032.93	\$ 4,414.67	\$ 2,854.50	\$ 5,267.54	\$ 6,097.33	\$ 5,142.54	\$ 11,093.21	\$ 43,902.72
San Mateo Co CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College of San Mateo	\$ 4,465.86	\$ 19,230.20	\$ 15,890.63	\$ 13,691.14	\$ 11,581.45	\$ 6,933.74	\$ 7,911.47	\$ 79,704.48
Skyline College	\$ 6,964.18	\$ 5,595.11	\$ 6,047.22	\$ 8,523.45	\$ 8,397.91	\$ 10,185.64	\$ 13,880.56	\$ 59,594.09
	\$ 11,430.04	\$ 24,825.31	\$ 21,937.85	\$ 22,214.59	\$ 19,979.36	\$ 17,119.38	\$ 21,792.03	\$ 139,298.57
Santa Clara CCD	\$ 2,030.31	\$ 3,415.41	\$ 8,204.31	\$ 10,816.27	\$ 11,759.19	\$ 15,133.25	\$ 22,415.34	\$ 73,774.09
College of the Canyons	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 2,030.31	\$ 3,415.41	\$ 8,204.31	\$ 10,816.27	\$ 11,759.19	\$ 15,133.25	\$ 22,415.34	\$ 73,774.09
Santa Monica CCD	\$ 8,804.71	\$ 12,628.67	\$ 12,866.13	\$ 11,045.91	\$ 22,883.45	\$ 13,431.34	\$ 22,553.92	\$ 104,214.14
Santa Monica College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 8,804.71	\$ 12,628.67	\$ 12,866.13	\$ 11,045.91	\$ 22,883.45	\$ 13,431.34	\$ 22,553.92	\$ 104,214.14
Shasta Tehama CCD	\$ 3,057.30	\$ 4,391.20	\$ 7,300.98	\$ 9,377.74	\$ 9,949.66	\$ 9,237.54	\$ 15,158.23	\$ 58,472.65
Shasta College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 3,057.30	\$ 4,391.20	\$ 7,300.98	\$ 9,377.74	\$ 9,949.66	\$ 9,237.54	\$ 15,158.23	\$ 58,472.65
Sierra Joint CCD	\$ 2,864.14	\$ 5,779.17	\$ 6,730.28	\$ 13,015.52	\$ 17,831.29	\$ 20,930.78	\$ 35,535.63	\$ 102,686.82
Sierra College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 2,864.14	\$ 5,779.17	\$ 6,730.28	\$ 13,015.52	\$ 17,831.29	\$ 20,930.78	\$ 35,535.63	\$ 102,686.82

District / College	Total Estimated Available Revenue for Total Materials / College 2001	Total Estimated Available Revenue for Total Materials / College 2002	Total Estimated Available Revenue for Total Materials / College 2003	Total Estimated Available Revenue for Total Materials / College 2004	Total Estimated Available Revenue for Total Materials / College 2005	Total Estimated Available Revenue for Total Materials / College 2006	Total Estimated Available Revenue for Total Materials / College 2007	Total Estimated Available Revenue for Total Materials / College for all
Siskiyou CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College of the Siskiyous	\$ 1,089.18	\$ 1,131.51	\$ 805.21	\$ 2,004.89	\$ 1,790.70	\$ 1,333.28	\$ 1,706.58	\$ 9,861.34
	\$ 1,089.18	\$ 1,131.51	\$ 805.21	\$ 2,004.89	\$ 1,790.70	\$ 1,333.28	\$ 1,706.58	\$ 9,861.34
Solano Co CCD	\$ 550.00	\$ 200.00	\$ 50.00	\$ 90.00	\$ 100.00	\$ 210.73	\$ 363.56	\$ 1,564.29
Solano Community College	\$ -	\$ 4,658.01	\$ 3,287.78	\$ 3,861.56	\$ 3,992.20	\$ 4,982.88	\$ 9,433.98	\$ 30,216.42
	\$ 550.00	\$ 4,858.01	\$ 3,337.78	\$ 3,951.56	\$ 4,092.20	\$ 5,193.61	\$ 9,797.54	\$ 31,780.71
State Center CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fresno City College	\$ 3,417.69	\$ 5,614.45	\$ 7,129.42	\$ 10,995.57	\$ 10,359.16	\$ 13,848.57	\$ 11,908.84	\$ 63,273.70
Reedley College	\$ 4,577.68	\$ 6,352.98	\$ 5,564.95	\$ 8,186.92	\$ 7,681.74	\$ 8,581.58	\$ 14,168.35	\$ 55,114.20
	\$ 7,995.37	\$ 11,967.43	\$ 12,694.37	\$ 19,182.49	\$ 18,040.90	\$ 22,430.15	\$ 26,077.19	\$ 118,387.90
Victor Valley CCD	\$ 10,233.98	\$ 8,637.50	\$ 7,274.75	\$ 7,815.49	\$ 6,164.33	\$ 5,743.41	\$ 6,365.21	\$ 52,234.66
Victor Valley College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 10,233.98	\$ 8,637.50	\$ 7,274.75	\$ 7,815.49	\$ 6,164.33	\$ 5,743.41	\$ 6,365.21	\$ 52,234.66
West Kern CCD	\$ 711.42	\$ 785.95	\$ 788.35	\$ 2,095.40	\$ 792.93	\$ 833.05	\$ 2,396.87	\$ 8,403.97
Taft College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 711.42	\$ 785.95	\$ 788.35	\$ 2,095.40	\$ 792.93	\$ 833.05	\$ 2,396.87	\$ 8,403.97
West Valley-Mission CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mission College	\$ 2,107.50	\$ 1,114.07	\$ 2,628.94	\$ 3,878.83	\$ 5,294.93	\$ 5,299.13	\$ 8,326.30	\$ 28,649.69
	\$ 2,107.50	\$ 1,114.07	\$ 2,628.94	\$ 3,878.83	\$ 5,294.93	\$ 5,299.13	\$ 8,326.30	\$ 28,649.69
Yosemite CCD	\$ 23,754.95	\$ 3,416.93	\$ 4,926.50	\$ 6,904.32	\$ 5,201.11	\$ 5,377.18	\$ 9,039.78	\$ 58,620.77
West Valley College	\$ 5,219.92	\$ 5,249.76	\$ 8,689.71	\$ 11,014.13	\$ 8,353.95	\$ 8,279.49	\$ 15,489.26	\$ 62,296.22
	\$ 28,974.87	\$ 8,666.70	\$ 13,816.21	\$ 17,918.45	\$ 13,555.06	\$ 13,656.67	\$ 24,529.04	\$ 120,916.99
Columbia College CCD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Modesto Junior College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Yuba CCD	\$ 4,106.28	\$ 5,901.76	\$ 9,730.94	\$ 22,926.11	\$ 31,641.73	\$ 27,261.09	\$ 4,414.26	\$ 105,982.18
Yuba College	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 4,106.28	\$ 5,901.76	\$ 9,730.94	\$ 22,926.11	\$ 31,641.73	\$ 27,261.09	\$ 4,414.26	\$ 105,982.18
GRAND TOTAL	\$ 295,133.74	\$ 387,515.88	\$ 438,649.37	\$ 549,282.80	\$ 642,049.66	\$ 622,928.35	\$ 961,310.21	\$ 3,827,540.90

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## **Tab 12**

## RE: Rancho Santiago CCD IWM Audit Questions

Tuesday, March 12, 2013  
3:14 PM

Subject	RE: Rancho Santiago CCD IWM Audit Questions
From	Kustic, Debra
To	Kurokawa, Lisa
Sent	Wednesday, April 04, 2012 9:21 AM

Hi Lisa,

See the highlighted part of the e-mail below for the 2008 and 2009. We are not able to get the 2011 data at this time – it has not yet been compiled. We can check later with the external organization that does track that info, but they are a private entity, so we never know for sure if they will continue to be willing to provide it to us.

I am out of the office next week, so let's try to connect the week of April 16<sup>th</sup>.

Debra

From: Kustic, Debra  
Sent: Tuesday, March 20, 2012 2:26 PM  
To: 'Martin, Alexandra L.'  
Cc: Kurokawa, Lisa  
Subject: RE: Rancho Santiago CCD IWM Audit Questions



Hi,

I was able to get answers for your questions related to Rancho Santiago CCD.

There are 3 landfills on Orange County – Bowerman, Prims Desecha, and Olinda Alpha. All three have the same rates, and it was \$22/ton for haulers that hold franchise agreements from 1997-2010. The County entered in a long term contract with cities, franchised waste haulers, and sanitary districts in 1997 in order to maintain a stable customer base.

Since 2010, we believe the franchised hauler rate remained about the same, but the County added a large surcharge to waste hauled by independent haulers – their rate is around \$55/ton. The difference between the true landfill rate and this added surcharge is given to cities and public entities as grants. The surcharge is supposed to make MRF processing a more appealing option versus bringing the material directly to the landfill.

Here are the disposal numbers for the two colleges in the district (in total tons and pounds/person/day). This is useful in seeing the disposal trend over time. The data only goes through 2010 as they have not yet submitted their annual report with 2011 – that reporting period is now open and reports are due by May 1<sup>st</sup>.

Santa Ana College

Year	Disposal in Tons	Lbs/person/day Disposed
------	------------------	-------------------------

General Page 1

2001	32.5	0.2
2002	512.7	2.8
2003	469	2.4
2004	579	3.0
2005	727.4	4.0
2006	378.9	2.0
2007	284.2	1.5
2008	311	2.1
2009	312.2	2.2
2010	331	3.2

**Santiago Canyon College**

Year	Disposal in Tons	Lbs/person/day Disposed
2001	105.3	3.0
2002	98.9	2.6
2003	87.8	1.7
2004	100.3	1.8
2005	97.8	1.7
2006	114.5	1.9
2007	227.4	3.1
2008	114.6	1.6
2009	109.3	1.6
2010	114.1	1.5

2007 - \$48 per ton  
 2008 - \$51 per ton



Let me know if you have questions on that info.

Regarding the statewide average landfill disposal fee:

The numbers we provided to you for 2001-2004 were before my tenure - but as far as I am aware, they were the most accurate information available to us for those years.

We do not track landfill fees. The numbers we gave you for 2005-2007 we got in Sept 2009 from a third party that tracks this information. They provided us with information again in Feb 2011 and the 2007 figure was revised to \$48/ton,

[REDACTED]

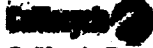
[REDACTED]

[REDACTED]



Regards,

*Debra Kustic*



California Department of Resources Recycling and Recovery

[debra.kustic@calrecycle.ca.gov](mailto:debra.kustic@calrecycle.ca.gov)

Phone: 916-341-8207

Fax: 916-319-8112

General Page 3

## **Tab 13**

## Lanfill Disposal Fees

Tuesday, March 12, 2013

3:12 PM

Subject	Lanfill Disposal Fees
From	Kustic, Debra
To	Kurokawa, Lisa
Sent	Thursday, May 31, 2012 1:19 PM

Hi Lisa,

I finally got updated landfill disposal fee information! When the organization from which we get this data provided us with the 2010 and 2011 fees, they also provided us with an updated 2009 fee. I think this happens because they have had additional time to gather a more complete data set. We saw this with another year for which I had provided you with a landfill cost and when they provided us with updated figures, it had decreased.

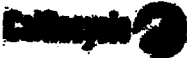
2009: \$55/ton (previously was noted at \$54/ton)  
2010: \$56/ton  
2011: \$56/ton



If you have any questions, please let me know.

Regards,

*Debra Kustic*



California Department of Resources Recycling and Recovery  
[debra.kustic@calrecycle.ca.gov](mailto:debra.kustic@calrecycle.ca.gov)  
Phone: 916-341-6207  
Fax: 916-319-8112

**DECLARATION OF SERVICE BY EMAIL**

I, the undersigned, declare as follows:

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

On November 25, 2015, I served the:

**SCO Late Comments**

*Integrated Waste Management*, 14-0007-I-05

Public Resources Code Section 40418, 40196.3, 42920-42928;

Public Contract Code Section 12167 and 12167.1

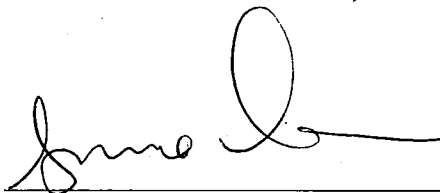
Statutes 1992, Chapter 1116 (AB 3521); Statutes 1999, Chapter 764 (AB 75)

Fiscal Years: 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, and 2010-2011

State Center Community College District, Claimant

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

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on November 25, 2015 at Sacramento, California.



---

Lorenzo Duran  
Commission on State Mandates  
980 Ninth Street, Suite 300  
Sacramento, CA 95814  
(916) 323-3562

# COMMISSION ON STATE MANDATES

## Mailing List

**Last Updated:** 10/29/15

**Claim Number:** 14-0007-I-05

**Matter:** Integrated Waste Management

**Claimant:** State Center Community College District

### TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

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

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DSpeciale@sco.ca.gov

STATE of CALIFORNIA  
**COMMISSION ON STATE  
MANDATES**



August 25, 2017

Mr. Edwin Eng  
State Center Community College District  
Finance and Administration  
1525 East Weldon Avenue  
Fresno, CA 93704-6398

Ms. Jill Kanemasu  
Division of Accounting and Reporting  
State Controller's Office  
3301 C Street, Suite 700  
Sacramento, CA 95816

*And Parties, Interested Parties, and Interested Persons (See Mailing List)*

**Re: Draft Proposed Decision, Schedule for Comments, and Notice of Hearing**

*Integrated Waste Management, 14-0007-I-05*

Public Resources Code Sections 40418, 40196.3, 42920-42928;

Public Contract Code Sections 12167 and 12167.1

Statutes 1992, Chapter 1116 (AB 3521); Statutes 1999, Chapter 764 (AB 75)

State Agency Model Integrated Waste Management Plan (February 2000)

Fiscal Years: 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006, 2006-2007,  
2007-2008, 2008-2009, 2009-2010, and 2010-2011

State Center Community College District, Claimant

Dear Mr. Eng and Ms. Kanemasu:

The Draft Proposed Decision for the above-captioned matter is enclosed for your review and comment.

**Written Comments**

Written comments may be filed on the Draft Proposed Decision by **September 15, 2017**. Please note that all representations of fact submitted to the Commission must be signed under penalty of perjury by persons who are authorized and competent to do so and must be based upon the declarant's personal knowledge, information, or belief. (Cal. Code Regs., tit. 2, § 1187.5.) Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over an objection in civil actions. (Cal. Code Regs., tit. 2, § 1187.5.) The Commission's ultimate findings of fact must be supported by substantial evidence in the record.<sup>1</sup>

You are advised that comments filed with the Commission on State Mandates (Commission) are required to be simultaneously served on the other interested parties on the mailing list, and to be accompanied by a proof of service. However, this requirement may also be satisfied by electronically filing your documents. Refer to [http://www.csm.ca.gov/dropbox\\_procedures.php](http://www.csm.ca.gov/dropbox_procedures.php) on the Commission's website for electronic filing instructions. (Cal. Code Regs., tit. 2, § 1181.3.)

<sup>1</sup> Government Code section 17559(b), which provides that a claimant or the state may commence a proceeding in accordance with the provisions of section 1094.5 of the Code of Civil Procedure to set aside a decision of the Commission on the ground that the Commission's decision is not supported by substantial evidence in the record.



Mr. Eng and Ms. Kanemasu

August 25, 2017

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If you would like to request an extension of time to file comments, please refer to section 1187.9(a) of the Commission's regulations.

**Hearing**

This matter is set for hearing on **Friday, December 1, 2017**, at 10:00 a.m., State Capitol, Room 447, Sacramento, California. The Proposed Decision will be issued on or about November 17, 2017. Please let us know in advance if you or a representative of your agency will testify at the hearing, and if other witnesses will appear. If you would like to request postponement of the hearing, please refer to section 1187.9(b) of the Commission's regulations.

Sincerely,



Heather Halsey  
Executive Director

**ITEM \_**  
**INCORRECT REDUCTION CLAIM**  
**DRAFT PROPOSED DECISION**

Public Resources Code Sections 40148, 40196.3, 42920-42928; Public Contract Code Sections 12167 and 12167.1; Statutes 1992, Chapter 1116 (AB 3521); Statutes 1999, Chapter 764 (AB 75); State Agency Model Integrated Waste Management Plan (February 2000)

*Integrated Waste Management*

Fiscal Years 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006,  
2006-2007, 2007-2008, 2008-2009, 2009-2010, and 2010-2011

14-0007-I-05

State Center Community College District, Claimant

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**EXECUTIVE SUMMARY**

**Overview**

This Incorrect Reduction Claim (IRC) addresses the reductions by the State Controller's Office's (Controller) to reimbursement claims of the State Center Community College District (claimant) for fiscal years 1999-2000, 2000-2001, and 2003-2004 through 2010-2011 under the *Integrated Waste Management* program, 00-TC-07. The Controller made the audit reductions because the claimant did not identify and deduct from its reimbursement claims offsetting savings resulting from the diversion of solid waste and the associated reduced landfill disposal fees.

Staff finds that the Controller correctly presumed, absent any evidence to the contrary, that the percentage of waste required to be diverted resulted in offsetting savings equal to the avoided landfill fee per ton of waste required to be diverted. The avoided landfill disposal fee was calculated by the Controller based on the statewide average disposal fee provided by the California Integrated Waste Management Board (CIWMB) for each year in the audit period. The claimant has not filed any evidence to rebut the statutory presumption of cost savings. Thus, the Controller's reduction of costs claimed is correct as a matter of law.

Staff further finds, based on the evidence in the record, that the Controller's calculation of offsetting cost savings for fiscal years 1999-2000, 2000-2001, the second half of fiscal year 2003-2004, and fiscal years 2004-2005 through 2010-2011, is correct as a matter of law and is not arbitrary, capricious, or without evidentiary support.

However, the Controller's reduction of costs claimed for the first half of fiscal year 2003-2004 is incorrect as a matter of law and is arbitrary, capricious, and entirely lacking in evidentiary support. For this time period, the Controller calculated cost savings based on a 50 percent diversion rate, although only 25 percent diversion was mandated by the state. Thus, the Controller's interpretation of the mandate was incorrect as a matter of law. The claimant's colleges exceeded the mandated 25 percent diversion rate in the first half of fiscal year 2003-2004. Therefore, the Controller should have used the same formula for the first half of fiscal

year 2003-2004 as it did for all other years when the claimant exceeded the mandate. Applying the Controller's formula (for years when the claimant exceeded the diversion mandate) to the first half of fiscal year 2003-2004, using the 25 percent diversion requirement to allocate the diversion rate, results in offsetting costs savings of:

- \$7,166 for Reedley College (25 percent divided by 26.11 percent, multiplied by 203.2 tons diverted multiplied by the statewide average landfill disposal fee of \$36.83) rather than \$7,484 calculated by the Controller using a 100 percent diversion rate; and
- \$3,039 for Fresno City College (FCC) (25 percent divided by 53.59 percent, multiplied by 176.9 tons diverted multiplied by the statewide average landfill disposal fee of \$36.83) rather than \$6,079 calculated by the Controller using a 50 percent diversion rate.

Thus, the difference between the calculated reduction (\$13,563) and the amount that should have been reduced (\$10,205) is \$3,358, which has been incorrectly offset and should be reinstated to the claimant.

Therefore, staff recommends that the Commission on State Mandates (Commission) partially approve this IRC and request that the Controller reinstate \$3,358 to the claimant.

#### The Integrated Waste Management Program

The test claim statutes require community college districts<sup>1</sup> to adopt and implement, in consultation with CIWMB (now known as CalRecycle), an integrated waste management (IWM) plan to govern the district's efforts to reduce solid waste, reuse materials, recycle recyclable materials and procure products with recycled content in all agency offices and facilities. To implement their plans, community college districts must divert from landfill disposal at least 25 percent of solid waste by January 1, 2002, and at least 50 percent by January 1, 2004. Public Resources Code section 42925, as added by the test claim statutes, further provides that "[a]ny cost savings realized as a result of the state agency integrated waste management plan shall, to the extent feasible, be redirected to the agency's integrated waste management plan to fund plan implementation and administration costs, in accordance with Sections 12167 and 12167.1 of the Public Contract Code."

On March 24, 2004, the Commission adopted the Test Claim Statement of Decision and found that the test claim statutes impose a reimbursable mandate on community colleges, and that cost savings under Public Resources Code section 42925 did not result in a denial of the Test Claim because there was no evidence of offsetting savings that would result in no net costs to a community college district. The Parameters and Guidelines were adopted on March 30, 2005, to authorize reimbursement for the activities approved in the Statement of Decision, and did not require claimants to identify and deduct from their reimbursement claims any cost savings. After the Commission adopted the Parameters and Guidelines, the Department of Finance (Finance) and CIWMB challenged the Statement of Decision and Parameters and Guidelines, arguing that the Commission did not properly account for all the offsetting cost savings from avoided disposal costs, or offsetting revenues from the sale of recyclable materials in the Statement of

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<sup>1</sup> The test claim statutes apply to "state agencies" but defines them to include "the California Community Colleges" (Pub. Res. Code, § 40196.3). Community college districts are the only local government to which the test claim statutes apply.

Decision or Parameters and Guidelines. On May 29, 2008, the Sacramento County Superior Court partially agreed with the petitioners and directed the Commission to amend the Parameters and Guidelines to:

1. [R]equire community college districts claiming reimbursable costs of an integrated waste management plan under Public Resources Code section 42920, et seq. to identify and offset from their claims, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1, cost savings realized as a result of implementing their plans; and
2. [R]equire community college districts claiming reimbursable costs of an integrated waste management plan under Public Resources Code section 42920, et seq. to identify and offset from their claims all of the revenue generated as a result of implementing their plans, without regard to the limitations or conditions described in sections 12167 and 12167.1 of the Public Contract Code.<sup>2</sup>

In accordance with this court ruling, the Commission amended the Parameters and Guidelines on September 26, 2008.

This program was made optional by statutes of 2010, chapter 724 (AB1610), section 34, effective October 19, 2010, and has remained so since that time.<sup>3</sup>

### **Procedural History**

On October 6, 2005, the claimant filed its 1999-2000, 2000-2001, and 2003-2004 reimbursement claims.<sup>4</sup> On March 30, 2009, the claimant filed its 2004-2005, 2005-2006, 2006-2007, and 2007-2008 reimbursement claims.<sup>5</sup> On December 14, 2009, the claimant filed its 2008-2009 reimbursement claim.<sup>6</sup> On December 13, 2010, the claimant filed its 2009-2010 reimbursement claim.<sup>7</sup> On February 7, 2012, the claimant filed its reimbursement claim for July 1, 2010 to October 7, 2010.<sup>8</sup> On August 1, 2013, the claimant was notified of the audit via email from the Controller.<sup>9</sup> The Controller issued the Final Audit Report on August 30, 2013.<sup>10</sup> The claimant

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<sup>2</sup> Exhibit B, Controller's Late Comments on the IRC, page 31 (Judgment Granting Petition for Writ of Administrative Mandamus).

<sup>3</sup> See Government Code section 17581.5.

<sup>4</sup> Exhibit A, IRC, pages 209, 215 and 220. Though these reimbursement claims were filed in 2005, there is no evidence in the record that the Controller has issued payment, and thus, the audit was timely initiated on August 1, 2013, when the claimant was notified of the audit. (Exhibit B, pp. 95-97).

<sup>5</sup> Exhibit A, IRC, pages 227, 234, 239 and 246.

<sup>6</sup> Exhibit A, IRC, page 252.

<sup>7</sup> Exhibit A, IRC, page 258.

<sup>8</sup> Exhibit A, IRC, page 265. This claim states it is for "7/1/10 to 10/7/10."

<sup>9</sup> Exhibit B, Controller's Late Comments on the IRC, pages 95-97.

<sup>10</sup> Exhibit A, IRC, page 25.

filed this IRC on July 14, 2014.<sup>11</sup> The Controller filed late comments on the IRC on November 25, 2015.<sup>12</sup> Commission staff issued the Draft Proposed Decision on August 25, 2017.<sup>13</sup>

### **Commission Responsibilities**

Government Code section 17561(d) authorizes the Controller to audit the claims filed by local agencies and school districts and to reduce any claim for reimbursement of state-mandated costs that the Controller determines is excessive or unreasonable.

Government Code Section 17551(d) requires the Commission to hear and decide a claim that the Controller has incorrectly reduced payments to the local agency or school district. If the Commission determines that a reimbursement claim has been incorrectly reduced, section 1185.9 of the Commission's regulations requires the Commission to send the decision to the Controller and request that the costs in the claim be reinstated.

The Commission must review questions of law, including interpretation of parameters and guidelines, de novo, without consideration of legal conclusions made by the Controller in the context of an audit. The Commission is vested with exclusive authority to adjudicate disputes over the existence of state-mandated programs within the meaning of article XIII B, section 6.<sup>14</sup> The Commission must also interpret the Government Code and implementing regulations in accordance with the broader constitutional and statutory scheme. In making its decisions, the Commission must strictly construe article XIII B, section 6 of the California Constitution and not apply it as an "equitable remedy to cure the perceived unfairness resulting from political decisions on funding priorities."<sup>15</sup>

With regard to the Controller's audit decisions, the Commission must determine whether they were arbitrary, capricious, or entirely lacking in evidentiary support. This standard is similar to

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<sup>11</sup> Exhibit A, IRC.

<sup>12</sup> Exhibit B, Controller's Late Comments on the IRC. Note that Government Code section 17553(d) states: "the Controller shall have no more than 90 days after the claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the Commission." However, in this instance, due to the backlog of IRCs, these late comments have not delayed consideration of this item and so have been included in the analysis and Proposed Decision.

<sup>13</sup> Exhibit C, Draft Proposed Decision.

<sup>14</sup> *Kinlaw v. State of California* (1991) 54 Cal.3d 326, 331-334; Government Code sections 17551, 17552.

<sup>15</sup> *County of Sonoma v. Commission on State Mandates* (2000), 84 Cal.App.4th 1264, 1281, citing *City of San Jose v. State of California* (1996) 45 Cal.App.4th 1802, 1817.

the standard used by the courts when reviewing an alleged abuse of discretion of a state agency.<sup>16</sup>

The Commission must also review the Controller’s audit in light of the fact that the initial burden of providing evidence for a claim of reimbursement lies with the claimant.<sup>17</sup> In addition, section 1185.1(f)(3) and 1185.2(c) of the Commission’s regulations requires that any assertions of fact by the parties to an IRC must be supported by documentary evidence. The Commission’s ultimate findings of fact must be supported by substantial evidence in the record.<sup>18</sup>

**Claims**

The following chart provides a brief summary of the claims and issues raised and staff’s recommendation.

Issue	Description	Staff Recommendation
Whether the Controller’s reduction of costs claimed based on unreported cost savings resulting from implementation of the IWM plan is correct.	<p>Pursuant to the ruling and writ issued in <i>State of California v. Commission on State Mandates</i>, (Super. Ct. Sacramento County, 2008, No. 07CS00355), the amended Parameters and Guidelines require claimants to identify and offset from their claims, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1, cost savings realized as a result of implementing their IWM plans, and apply the cost savings to fund plan implementation and administration costs.</p> <p>The test claim statutes presume that by complying with the mandate to divert solid waste through the IWM program, claimants can reduce or avoid</p>	<p><i>Partially Incorrect</i> – The Controller correctly presumed, absent any evidence to the contrary, that the percentage of waste required to be diverted resulted in offsetting savings equal to the avoided landfill fee per ton of waste required to be diverted. The avoided landfill disposal fee was based on the statewide average disposal fee provided by CIWMB for each year in the audit period. The claimant has not filed any evidence to rebut the statutory presumption of cost savings. Thus, the Controller’s reduction of costs claimed is correct as a matter of law.</p> <p>In calendar year 2000, Reedley College achieved a 24.57 diversion rate, although 25</p>

<sup>16</sup> *Johnston v. Sonoma County Agricultural Preservation and Open Space District* (2002) 100 Cal.App.4th 973, 983-984; *American Bd. of Cosmetic Surgery, Inc. v. Medical Bd. of California* (2008) 162 Cal.App.4th 534, 547.

<sup>17</sup> *Gilbert v. City of Sunnyvale* (2005) 130 Cal.App.4th 1264, 1274-1275.

<sup>18</sup> Government Code section 17559(b), which provides that a claimant or the state may commence a proceeding in accordance with the provisions of section 1094.5 of the Code of Civil Procedure to set aside a decision of the Commission on the ground that the Commission’s decision is not supported by substantial evidence in the record.

	<p>landfill fees and realize cost savings. As indicated in the court’s ruling, the cost savings may be calculated from the annual solid waste disposal reduction or diversion that community colleges are required to annually report to CIWMB. There is a rebuttable statutory presumption of cost savings. To rebut the presumption, the claimant has the burden to show that cost savings were not realized.</p> <p>During the audit period, FCC exceeded the mandate and diverted more solid waste than required by law (and also at Reedley College except calendar year 2000). For years when the claimant exceeded the diversion requirement, the Controller’s cost savings formula “allocated” the diversion percentage by dividing the percentage of solid waste required to be diverted, either 25% or 50%, by the actual percentage diverted, as reported to CIWMB, to avoid penalizing the claimant for diverting more solid waste than the state-mandated amount. The resulting quotient is then multiplied by the tons of solid waste diverted multiplied by the avoided landfill disposal fee (based on the statewide average fee). For calendar year 2000 when Reedley College did not</p>	<p>percent was required, so the Controller did not allocate the diversion rate but used 100 percent of the diversion to calculate offsetting savings for the second half of fiscal year 1999-2000 and the first half of fiscal year 2000-2001.<sup>21</sup> This audit decision complies with the Parameters and Guidelines and the Superior Court decision.<sup>22</sup> Thus, the decision to use a 100 percent diversion rate to calculate Reedley College’s cost savings for calendar year 2000 is correct.</p> <p>However, the Controller’s reduction of costs claimed for the first half of fiscal year 2003-2004 at both colleges is incorrect as a matter of law, and is arbitrary, capricious, and entirely lacking in evidentiary support. The Controller applied a 50% diversion rate to calculate offsetting savings for this period, although the mandate was 25% in 2003. And although Reedley College achieved 26.11% diversion (exceeding the required 25%) during this period, the Controller did not allocate Reedley’s cost savings, which is arbitrary, capricious, and entirely lacking in evidentiary support.</p> <p>Applying the Controller’s cost savings formula to the first half</p>
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<sup>21</sup> Exhibit A, IRC, page 35, footnote 2 (Final Audit Report); Exhibit B, Controller’s Late Comments on the IRC, page 93.

<sup>22</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 79-89 (Ruling on Submitted Matter).

	<p>exceed the diversion requirement, the Controller did not allocate the diversion rate, but used 100 percent of the claimant’s diversion to calculate offsetting costs.</p> <p>For the first half of fiscal year 2003-2004, the Controller used a 50% rate to allocate cost savings, although 25% was mandated during this period. The Controller also found that Reedley College did not achieve the mandated “50%” diversion rate for the first half of 2003-2004, so the diversion percentage for Reedley was not allocated. Instead, the Controller used 100% of the tonnage diverted to calculate the offsetting cost savings.<sup>19</sup> The Controller admits that mandated diversion rate is 25% for the first half of fiscal year 2003-2004.<sup>20</sup></p>	<p>of fiscal year 2003-2004 results in offsetting cost savings of:</p> <ul style="list-style-type: none"> <li>• \$7,166 for Reedley College (25% divided by 26.11%, multiplied by 203.2 tons diverted multiplied by the statewide average landfill disposal fee of \$36.83) rather than \$7,484, and;</li> <li>• \$3,039 for FCC (25% divided by 53.59%, multiplied by 176.9 tons diverted multiplied by the statewide average landfill disposal fee of \$36.83) rather than \$6,079.</li> </ul> <p>Thus, the difference between the calculated reduction and the amount that should have been reduced is \$3,358, which should be reinstated to the claimant.</p>
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**Staff Analysis**

**The Controller’s Reduction of Costs Is Generally Correct as a Matter of Law; However, the Reduction of Costs for the First Half of Fiscal Year 2003-2004 Based on the Incorrect Mandated Diversion Rate, Is Incorrect as a Matter of Law and Is Arbitrary, Capricious, and Entirely Lacking in Evidentiary Support.**

The Controller correctly presumed, consistent with the test claim statutes and the court’s interpretation of those statutes, and without any evidence to the contrary, that the claimant realized cost savings during the audit period.

Staff finds, based on the evidence in the record, that the Controller’s calculation of offsetting cost savings for fiscal years 1999-2000, 2000-2001, the second half of fiscal year 2003-2004, and fiscal years 2004-2005 through 2010-2011 is correct as a matter of law and not arbitrary,

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<sup>19</sup> Exhibit A, IRC, page 31, footnote 2 (Final Audit Report); Exhibit B, Controller’s Late Comments on the IRC, page 71.

<sup>20</sup> Exhibit B, Controller’s Late Comments on the IRC, page 21.



capricious, or entirely lacking in evidentiary support. During the audit period, the claimant exceeded the mandated diversion rate in all years except calendar year 2000.<sup>23</sup>

In years when the claimant diverted more solid waste than the amount mandated by the test claim statutes, the Controller's cost savings formula "allocated" the diversion by dividing the percentage of solid waste required to be diverted, either 25 or 50 percent, by the actual percentage of solid waste diverted, as annually reported by the claimant to CIWMB. The resulting quotient was then multiplied by the tons of solid waste diverted, multiplied by the avoided landfill disposal fee (based on the statewide average fee).<sup>24</sup> The formula allocates cost savings based on the mandated rates of diversion, and was intended to prevent penalizing the claimant for diverting more solid waste than the amount mandated by law.<sup>25</sup>

In calendar year 2000, Reedley College achieved a 24.57 diversion rate, which was less than the 25 percent required, so the Controller did not allocate the diversion rate, but multiplied 100 percent of the solid waste diverted by the avoided landfill disposal fee.<sup>26</sup>

These formulas are consistent with the statutory presumption of cost savings and correctly presume, without any evidence to the contrary, that the percentage of waste required to be diverted results in offsetting cost savings in an amount equal to the avoided landfill fee per ton of waste required to be diverted. In years when the claimant exceeded the mandated diversion rates, the Controller's formula limits the offset to the mandated levels.

However, the Controller's reduction of costs claimed for the first half of fiscal year 2003-2004 for both colleges is incorrect as a matter of law, and is arbitrary, capricious, and entirely lacking in evidentiary support. For the first half of fiscal year 2003-2004, Reedley College achieved an actual diversion rate of 26.11 percent. The Controller found that Reedley College did not achieve the mandated "50 percent" diversion rate, although only 25 percent diversion was mandated in the first half of fiscal year 2003-2004. Thus, for this period at Reedley College, the Controller did not allocate the diversion percentage to calculate cost savings, but used 100 percent of the reported diversion to calculate offsetting savings.<sup>27</sup> In addition, FCC achieved an actual diversion rate of 53.59 percent in the first half of fiscal year 2003-2004.<sup>28</sup> The Controller allocated the diversion rate for FCC, as it had done for the other fiscal years because the claimant exceeded the mandate, but used a 50 percent rate to calculate the allocated diversion rate, when the test claim statutes mandated only 25 percent diversion in calendar year 2003.<sup>29</sup> The

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<sup>23</sup> The Controller found that Fresno City College exceeded the mandate in all years in the audit period, but that Reedley College did not exceed the mandate in calendar years 2000 and 2003. See Exhibit B, Controller's Late Comments on the IRC, pages 92-93.

<sup>24</sup> Exhibit A, IRC, pages 33-35 (Final Audit Report); Exhibit B, Controller's Late Comments on the IRC, page 21.

<sup>25</sup> Exhibit B, Controller's Late Comments on the IRC, pages 20-21.

<sup>26</sup> Exhibit B, Controller's Late Comments on the IRC, pages 92-93.

<sup>27</sup> Exhibit A, IRC, page 35, footnote 2 (Final Audit Report); Exhibit B, Controller's Late Comments on the IRC, page 93.

<sup>28</sup> Exhibit B, Controller's Late Comments on the IRC, pages 92-93.

<sup>29</sup> Exhibit B, Controller's Late Comments on the IRC, pages 92-93.

requirement to divert 50 percent of all solid waste did not become operative until January 1, 2004.<sup>30</sup> Therefore, the Controller's calculation of cost savings, which applied a 50 percent diversion rate to the period from July 1, 2003, through December 31, 2003, for both colleges, instead of the mandated 25 percent diversion rate, is incorrect as a matter of law. In addition, the Controller's calculation, which did not reduce cost savings by allocating the diversion percentage to the 25 percent mandated diversion rate as it did for other years when the claimant exceeded the mandate, is arbitrary, capricious, and entirely lacking in evidentiary support. Applying the Controller's formula to the first half of fiscal year 2003-2004 for both colleges within the claimant's district, using the 25 percent diversion requirement, results in offsetting costs savings of:

- \$7,166 for Reedley College (25 percent divided by 26.11 percent, multiplied by 203.2 tons diverted multiplied by the statewide average landfill disposal fee of \$36.83) rather than \$7,484 calculated by the Controller using a 100 percent diversion rate of the solid waste diverted; and
- \$3,039 for FCC (25 percent divided by 53.59 percent, multiplied by 176.9 tons diverted multiplied by the statewide average landfill disposal fee of \$36.83) rather than \$6,079 calculated by the Controller using a 50 percent diversion rate.

The difference between the calculated reduction (\$13,563) and the amount that should have been reduced (\$10,205) is \$3,358, which has been incorrectly reduced.

### **Conclusion**

Staff finds that the Controller's reduction of costs claimed for fiscal years 1999-2000, 2000-2001, the second half of fiscal year 2003-2004, and fiscal years 2004-2005 through 2010-2011, is correct as a matter of law and not arbitrary, capricious, or entirely lacking in evidentiary support.

However, the reduction of costs claimed for the first half of fiscal year 2003-2004 is incorrect as a matter of law, and is arbitrary, capricious, and entirely lacking in evidentiary support. The law and the record support offsetting cost savings for the first half of fiscal year 2003-2004 of \$10,205, rather than \$13,563, and the difference of \$3,358 has been incorrectly reduced and should be reinstated to the claimant.

### **Staff Recommendation**

Staff recommends that the Commission adopt the Proposed Decision to partially approve the IRC and request, pursuant to Government Code section 17551(d) and section 1185.9 of the Commission's regulations, that the Controller reinstate \$3,358 to the claimant. Staff further recommends that the Commission authorize staff to make any technical, non-substantive changes to Proposed Decision following the hearing.

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<sup>30</sup> Public Resources Code sections 42921; Exhibit A, IRC, page 95 (Parameters and Guidelines).

BEFORE THE  
COMMISSION ON STATE MANDATES  
STATE OF CALIFORNIA

**IN RE INCORRECT REDUCTION CLAIM  
ON:**

Public Resources Code Sections 40148, 40196.3, 42920-42928; Public Contract Code Sections 12167 and 12167.1; Statutes 1992, Chapter 1116 (AB 3521); Statutes 1999, Chapter 764 (AB 75); State Agency Model Integrated Waste Management Plan (February 2000)

Fiscal Years 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010 and 2010-2011

State Center Community College District,  
Claimant

Case No.: 14-0007-I-05

*Integrated Waste Management*

DECISION PURSUANT TO  
GOVERNMENT CODE SECTION  
17500 ET SEQ.; CALIFORNIA CODE OF  
REGULATIONS, TITLE 2, DIVISION 2,  
CHAPTER 2.5, ARTICLE 7

*(Adopted December 1, 2017)*

**DECISION**

The Commission on State Mandates (Commission) heard and decided this Incorrect Reduction Claim (IRC) during a regularly scheduled hearing on December 1, 2017. [Witness list will be included in the adopted Decision.]

The law applicable to the Commission’s determination of a reimbursable state-mandated program is article XIII B, section 6 of the California Constitution, Government Code section 17500 et seq., and related case law.

The Commission [adopted/modified] the Proposed Decision to [approve/partially approve/deny] the IRC by a vote of [vote count will be included in the adopted Decision] as follows:

<b>Member</b>	<b>Vote</b>
Lee Adams, County Supervisor	
Ken Alex, Director of the Office of Planning and Research	
Richard Chivaro, Representative of the State Controller, Vice Chairperson	
Mark Hariri, Representative of the State Treasurer	
Sarah Olsen, Public Member	
Eraina Ortega, Representative of the Director of the Department of Finance, Chairperson	
Carmen Ramirez, City Council Member	

## **Summary of the Findings**

This IRC addresses reductions made by the State Controller's Office (Controller) to reimbursement claims of the State Center Community College District (claimant) for fiscal years 1999-2000, 2000-2001, and 2003-2004 through 2010-2011 under the *Integrated Waste Management* program, 00-TC-07. The Controller made the audit reductions because the claimant (in the two colleges within the district: Reedley College and Fresno City College (FCC)) did not identify and deduct from its reimbursement claims offsetting cost savings from its diversion of solid waste and the associated reduced or avoided costs of landfill disposal fees.

The Commission finds that the audit reductions are partially correct.

During the audit period, the claimant diverted solid waste, as required by the test claim statutes, and exceeded the mandated diversion rate in all years except calendar year 2000. The Controller correctly presumed, consistent with the test claim statutes and the court's interpretation of those statutes, and without any evidence to the contrary, that the claimant realized cost savings during the audit period equal to the avoided landfill disposal fee per ton of waste required to be diverted.

The Commission further finds, based on the evidence in the record, that the Controller's calculation of offsetting cost savings for fiscal years 1999-2000, 2000-2001, the second half of fiscal year 2003-2004, and fiscal years 2004-2005 through 2010-2011 is correct as a matter of law and not arbitrary, capricious, or entirely lacking in evidentiary support. During the audit period, the claimant exceeded the mandated diversion rate in all years except calendar year 2000.<sup>31</sup> Instead of using 100 percent of the diversion percentage achieved in years when the claimant diverted more solid waste than the amount mandated by the test claim statutes, the Controller's cost savings formula "allocated" the diversion by dividing the percentage of solid waste required to be diverted, either 25 or 50 percent, by the actual percentage of solid waste diverted, as reported by the claimant to California Integrated Waste Management Board (CIWMB). The resulting quotient was then multiplied by the tons of solid waste diverted, as annually reported by the claimant to CIWMB, multiplied by the avoided landfill disposal fee (based on the statewide average fee).<sup>32</sup> The formula allocates cost savings based on the mandated levels of diversion, and is intended to prevent penalizing the claimant for diverting more solid waste than the amount mandated by law.<sup>33</sup> The claimant has not filed any evidence to rebut the statutory presumption of cost savings or to show that the statewide average disposal fee is incorrect or arbitrary. Thus, the Controller's reduction of costs claimed for these fiscal years is correct.

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<sup>31</sup> The Controller found that Fresno City College exceeded the mandate in all years in the audit period, but that Reedley College did not exceed the mandate in calendar years 2000 and 2003. In years that Reedley College did not exceed the mandated (25 or 50 percent) diversion level, the Controller did not allocate the diversion rate, but used 100 percent of the tonnage diverted to calculate offsetting savings. See Exhibit B, Controller's Late Comments on the IRC, pages 92-93.

<sup>32</sup> Exhibit A, IRC, pages 33-35 (Final Audit Report); Exhibit B, Controller's Late Comments on the IRC, page 21.

<sup>33</sup> Exhibit B, Controller's Late Comments on the IRC, pages 20-21.

In calendar year 2000, the claimant's Reedley College achieved a 24.57 diversion rate, which was less than the 25 percent required, so the Controller did not allocate the diversion rate, but multiplied 100 percent of the solid waste diverted by the claimant by the avoided landfill disposal fee (based on the statewide average fee).

These formulas are consistent with the statutory presumption of cost savings and correctly presume, without any evidence to the contrary, that the percentage of waste diverted results in offsetting cost savings in an amount equal to the avoided landfill fee per ton of waste required to be diverted. In years when the claimant exceeded the mandated diversion rates, the Controller's formula limits the offset to the mandated levels.<sup>34</sup>

However, the Controller's reduction of costs claimed for the first half of fiscal year 2003-2004 for both colleges is incorrect as a matter of law, and is arbitrary, capricious, and entirely lacking in evidentiary support. For the first half of fiscal year 2003-2004, Reedley College achieved an actual diversion rate of 26.11 percent. The Controller found that Reedley College did not achieve the mandated "50 percent" diversion rate, although only 25 percent diversion was mandated in the first half of fiscal year 2003-2004. Thus, for this period at Reedley College, the Controller did not allocate the diversion percentage to calculate cost savings, but used 100 percent of the reported diversion to calculate offsetting savings.<sup>35</sup> In addition, FCC achieved an actual diversion rate of 53.59 percent in the first half of fiscal year 2003-2004.<sup>36</sup> The Controller allocated the diversion rate for FCC, as it had done for the other fiscal years because the claimant exceeded the mandate, but used a 50 percent rate to calculate the allocated diversion rate, when the test claim statutes mandated only 25 percent diversion in calendar year 2003.<sup>37</sup> The requirement to divert 50 percent of all solid waste did not become operative until January 1, 2004.<sup>38</sup> Therefore, the Controller's calculation of cost savings, which applied a 50 percent diversion rate to the period from July 1, 2003, through December 31, 2003, for both colleges, instead of the mandated 25 percent diversion rate, is incorrect as a matter of law. In addition, the Controller's calculation, which did not reduce cost savings by allocating the diversion percentage to the 25 percent mandated diversion rate as it did for other years when the claimant exceeded the mandate, is arbitrary, capricious, and entirely lacking in evidentiary support. Applying the Controller's formula to the first half of fiscal year 2003-2004 for both colleges within the claimant's district, using the 25 percent diversion requirement, results in offsetting costs savings of:

- \$7,166 for Reedley College (25 percent divided by 26.11 percent, multiplied by 203.2 tons diverted multiplied by the statewide average landfill disposal fee of \$36.83) rather than

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<sup>34</sup> Exhibit A, IRC, page 35, footnote 2 (Final Audit Report); Exhibit B, Controller's Late Comments on the IRC, page 93.

<sup>35</sup> Exhibit A, IRC, page 35, footnote 2 (Final Audit Report); Exhibit B, Controller's Late Comments on the IRC, page 93.

<sup>36</sup> Exhibit B, Controller's Late Comments on the IRC, pages 92-93.

<sup>37</sup> Exhibit B, Controller's Late Comments on the IRC, pages 92-93.

<sup>38</sup> Public Resources Code sections 42921; Exhibit A, IRC, page 95 (Parameters and Guidelines).

\$7,484 calculated by the Controller using a 100 percent diversion rate of the solid waste diverted; and

- \$3,039 for FCC (25 percent divided by 53.59 percent, multiplied by 176.9 tons diverted multiplied by the statewide average landfill disposal fee of \$36.83) rather than \$6,079 calculated by the Controller using a 50 percent diversion rate.

Thus, the Commission finds that the law and the record support offsetting savings for the first half of fiscal year 2003-2004 of \$10,205 rather than \$13,563, and the difference of \$3,358 has been incorrectly reduced.<sup>39</sup>

Therefore, the Commission partially approves this IRC, and requests, pursuant to Government Code section 17551(d) and section 1185.9 of the Commission's regulations, that the Controller reinstate \$3,358 to the claimant.

## COMMISSION FINDINGS

### I. Chronology

- |            |   |
|------------|---|
| 10/06/2005 | The claimant filed its 1999-2000, 2000-2001, and 2003-2004 reimbursement claims. <sup>40</sup>            |
| 03/30/2009 | The claimant filed its 2004-2005, 2005-2006, 2006-2007, and 2007-2008 reimbursement claims. <sup>41</sup> |
| 12/14/2009 | The claimant filed its 2008-2009 reimbursement claim. <sup>42</sup>                                       |
| 12/13/2010 | The claimant filed its 2009-2010 reimbursement claim. <sup>43</sup>                                       |
| 02/07/2012 | The claimant filed its reimbursement claim for July 1, 2010 to October 7, 2010. <sup>44</sup>             |
| 08/01/2013 | The claimant was notified of the audit. <sup>45</sup>   |
| 08/30/2013 | The Controller issued the Final Audit Report. <sup>46</sup>   |

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<sup>39</sup> Exhibit B, Controller's Late Comments on the IRC, pages 37 (FCC 2003 Annual Report), 60 (Reedley 2003 Annual Report) and 92-93.

<sup>40</sup> Exhibit A, IRC, pages 209, 215 and 220. Although these reimbursement claims were filed in 2005, the final audit report states that the state made no payment to the claimant (Exhibit A, IRC, p. 25), which the claimant admits (Exhibit A, IRC, p. 5). Thus, the audit was timely initiated on August 1, 2013 when the claimant was notified of the audit (Exhibit B, Controller's Late Comments on the IRC, pp. 95-97).

<sup>41</sup> Exhibit A, IRC, pages 227, 234, 239 and 246.

<sup>42</sup> Exhibit A, IRC, page 252.

<sup>43</sup> Exhibit A, IRC, page 258.

<sup>44</sup> Exhibit A, IRC, page 265. This claim states it is for "7/1/10 to 10/7/10."

<sup>45</sup> Exhibit B, Controller's Late Comments on the IRC, pages 95-97.

<sup>46</sup> Exhibit A, IRC, page 25.

- 07/14/2014 The claimant filed this IRC.<sup>47</sup>
- 11/25/2015 The Controller filed late comments on the IRC.<sup>48</sup>
- 08/25/2017 Commission staff issued the Draft Proposed Decision.<sup>49</sup>

## II. Background

### A. The *Integrated Waste Management Program*

The test claim statutes require community college districts<sup>50</sup> to adopt and implement, in consultation with CIWMB (which is now the California Department of Resources Recycling and Recovery, or CalRecycle), integrated waste management (IWM) plans to reduce solid waste, reuse materials whenever possible, recycle recyclable materials, and procure products with recycled content in all agency offices and facilities.<sup>51</sup> To implement their plans, districts must divert from landfill disposal at least 25 percent of generated solid waste by January 1, 2002, and at least 50 percent by January 1, 2004. To divert means to “reduce or eliminate the amount of solid waste from solid waste disposal...”<sup>52</sup>

CIWMB developed and adopted a model IWM plan on February 15, 2000, and the test claim statutes provide that if a district does not adopt an IWM plan, the CIWMB model plan governs the community college.<sup>53</sup> Each district is also required to report annually to CIWMB on its progress in reducing solid waste; and the reports’ minimum contents are specified in statute.<sup>54</sup> The test claim statutes also require a community college, when entering into or renewing a lease, to ensure that adequate areas are provided for and adequate personnel are available to oversee collection, storage, and loading of recyclable materials in compliance with CIWMB’s requirements.<sup>55</sup> Additionally, the test claim statutes added Public Resources Code section 42925(a), which addressed cost savings from IWM plan implementation:

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<sup>47</sup> Exhibit A, IRC.

<sup>48</sup> Exhibit B, Controller’s Late Comments on the IRC. Note that Government Code section 17553(d) states: “the Controller shall have no more than 90 days after the claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the Commission.” However, in this instance, due to the backlog of IRCs, these late comments have not delayed consideration of this item and so have been included in the analysis and Proposed Decision.

<sup>49</sup> Exhibit C, Draft Proposed Decision.

<sup>50</sup> The test claim statutes apply to “state agencies” and define them to include “the California Community Colleges” (Pub. Res. Code, § 40196.3).

<sup>51</sup> Public Resources Code section 42920(b).

<sup>52</sup> Public Resources Code section 40124.

<sup>53</sup> Public Resources Code section 42920(b)(3).

<sup>54</sup> Public Resources Code section 42926.

<sup>55</sup> Public Resources Code section 42924(b).

Any cost savings realized as a result of the state agency integrated waste management plan shall, to the extent feasible, be redirected to the agency's integrated waste management plan to fund plan implementation and administration costs, in accordance with Sections 12167 and 12167.1 of the Public Contract Code.

The Public Contract Code sections referenced in section 42925(a) require that revenue received as a result of the community college's IWM plan be deposited in CIWMB's Integrated Waste Management Account. After July 1, 1994, CIWMB is authorized to spend the revenue upon appropriation by the Legislature to offset recycling program costs. Annual revenue under \$2,000 is to be continuously appropriated for expenditure by the community colleges, whereas annual revenue over \$2,000 is available for expenditures upon appropriation by the Legislature.<sup>56</sup>

On March 24, 2004, the Commission adopted the *Integrated Waste Management* Statement of Decision and determined that the test claim statutes impose a reimbursable state-mandated program on community college districts. The Commission also found that cost savings under Public Resources Code section 42925(a) did not preclude a reimbursable mandate under Government Code section 17556(e) because there was no evidence that offsetting savings would result in no net costs to a community college implementing an IWM plan, nor was there evidence that revenues received from plan implementation would be "in an amount sufficient to fund" the cost of the state-mandated program. The Commission found that any revenues received would be identified as offsetting revenue in the Parameters and Guidelines.

The Parameters and Guidelines were adopted on March 30, 2005, and authorize reimbursement for the increased costs to perform the following activities:

- A. One-Time Activities (*Reimbursable starting January 1, 2000*)
  1. Develop the necessary district policies and procedures for the implementation of the integrated waste management plan.
  2. Train district staff on the requirements and implementation of the integrated waste management plan (one-time per employee). Training is limited to the staff working directly on the plan.
- B. Ongoing Activities (*Reimbursable starting January 1, 2000*)

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<sup>56</sup> Public Contract Code sections 12167 and 12167.1 are part of the State Assistance for Recycling Markets Act, which was originally enacted in 1989 to foster the procurement and use of recycled paper products and other recycled resources in daily state operations (See Pub. Contract Code, §§ 12153, 12160; Stats. 1989, ch. 1094). The Act, including sections 12167 and 12167.1, applies to California community colleges only to the limited extent that these sections are referenced in Public Resources Code section 42925. Community colleges are not defined as state agencies or otherwise subject to the Act's provisions for the procurement and use of recycled products in daily state operations. See Exhibit B, Controller's Late Comments on the IRC, page 105 (*State of California, Department of Finance, California Integrated Waste Management Board v. Commission on State Mandates, et al.* (Sacramento County Superior Court, Case No. 07CS00355)).



1. Complete and submit to the [Integrated Waste Management] Board the following as part of the State Agency Model Integrated Waste Management Plan (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.):
  - a. state agency or large state facility information form;
  - b. state agency list of facilities;
  - c. state agency waste reduction and recycling program worksheets that describe program activities, promotional programs, and procurement activities, and other questionnaires; and
  - d. state agency integrated waste management plan questions.

NOTE: Although reporting on promotional programs and procurement activities in the model plan is reimbursable, implementing promotional programs and procurement activities is not.

2. Respond to any Board reporting requirements during the approval process. (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.)
3. Consult with the Board to revise the model plan, if necessary. (Pub. Resources Code, § 42920, subd. (b)(3) & State Agency Model Integrated Waste Management Plan, February 2000.)
4. Designate one solid waste reduction and recycling coordinator for each college in the district to perform new duties imposed by chapter 18.5 (Pub. Resources Code, §§ 42920 – 42928). The coordinator shall implement the integrated waste management plan. The coordinator shall act as a liaison to other state agencies (as defined by section 40196.3) and coordinators. (Pub. Resources Code, § 42920, subd. (c).)
5. Divert at least 25 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2002, and at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004, through source reduction, recycling, and composting activities. Maintain the required level of reduction, as approved by the Board. (Pub. Resources Code, §§ 42921 & 42922, subd. (i).)

C. Alternative Compliance (*Reimbursable from January 1, 2000 – December 31, 2005*)

1. Seek either an alternative requirement or time extension if a community college is unable to comply with the January 1, 2002 deadline to divert 25 percent of its solid waste, by doing the following: (Pub. Resources Code, §§ 42927 & 42923 subds. (a) & (c).)
  - a. Notify the Board in writing, detailing the reasons for its inability to comply.
  - b. Request of the Board an alternative to the January 1, 2002 deadline.

- c. Provide evidence to the Board that the college is making a good faith effort to implement the source reduction, recycling, and composting programs identified in its integrated waste management plan.
  - d. Provide information that describes the relevant circumstances that contributed to the request for extension, such as lack of markets for recycled materials, local efforts to implement source reduction, recycling and composting programs, facilities built or planned, waste disposal patterns, and the type of waste disposed of by the community college.
  - e. Submit a plan of correction that demonstrates that the college will meet the requirements of Section 42921 [the 25 and 50 percent diversion requirements] before the time extension expires, including the source reduction, recycling, or composting steps the community college will implement, a date prior to the expiration of the time extension when the requirements of Section 42921 will be met, the existing programs that it will modify, any new programs that will be implemented to meet those requirements, and the means by which these programs will be funded.
2. Seek either an alternative requirement or time extension if a community college is unable to comply with the January 1, 2004 deadline to divert 50 percent of its solid waste, by doing the following: (Pub. Resources Code, §§ 42927 & 42922, subs. (a) & (b).)
- a. Notify the Board in writing, detailing the reasons for its inability to comply.
  - b. Request of the Board an alternative to the 50-percent requirement.
  - c. Participate in a public hearing on its alternative requirement.
  - d. Provide the Board with information as to:
    - (i) the community college's good faith efforts to implement the source reduction, recycling, and composting measures described in its integrated waste management plan, and demonstration of its progress toward meeting the alternative requirement as described in its annual reports to the Board;
    - (ii) the community college's inability to meet the 50 percent diversion requirement despite implementing the measures in its plan;
    - (iii) how the alternative source reduction, recycling, and composting requirement represents the greatest diversion amount that the community college may reasonably and feasibly achieve; and,

- (iv) the circumstances that support the request for an alternative requirement, such as waste disposal patterns and the types of waste disposed by the community college.<sup>57</sup>

D. Accounting System (*Reimbursable starting January 1, 2000*)

Developing, implementing, and maintaining an accounting system to enter and track the college's source reduction, recycling and composting activities, the cost of those activities, the proceeds from the sale of any recycled materials, and such other accounting systems which will allow it to make its annual reports to the state and determine waste reduction. Note: only the pro-rata portion of the costs incurred to implement the reimbursable activities can be claimed.

E. Annual Report (*Reimbursable starting January 1, 2000*)

Annually prepare and submit, by April 1, 2002, and by April 1 each subsequent year, a report to the Board summarizing its progress in reducing solid waste. The information in the report must encompass the previous calendar year and shall contain, at a minimum, the following as outlined in section 42926, subdivision (b): (Pub. Resources Code, §§ 42926, subd. (a) & 42922, subd. (i).)

1. calculations of annual disposal reduction;
2. information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors;
3. a summary of progress made in implementing the integrated waste management plan;
4. the extent to which the community college intends to use programs or facilities established by the local agency for handling, diversion, and disposal of solid waste (If the college does not intend to use those established programs or facilities, it must identify sufficient disposal capacity for solid waste that is not source reduced, recycled or composted.);
5. for a community college that has been granted a time extension by the Board, it shall include a summary of progress made in meeting the integrated waste management plan implementation schedule pursuant to section 42921, subdivision (b), and complying with the college's plan of correction, before the expiration of the time extension;
6. for a community college that has been granted an alternative source reduction, recycling, and composting requirement by the Board pursuant to section 42922, it shall include a summary of progress made towards meeting the alternative requirement as well as an explanation of current

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<sup>57</sup> These alternative compliance and time extension provisions in part C were sunset on January 1, 2006, but were included in the adopted Parameters and Guidelines.

circumstances that support the continuation of the alternative requirement.

F. Annual Recycled Material Reports (*Reimbursable starting July 1, 1999*)

Annually report to the Board on quantities of recyclable materials collected for recycling. (Pub. Contract Code, § 12167.1.) (See Section VII. regarding offsetting revenues from recyclable materials.)

The Parameters and Guidelines further require that each claimed reimbursable cost be supported by contemporaneous source documentation.<sup>58</sup>

And as originally adopted, the Parameters and Guidelines required community college districts to identify and deduct from their reimbursement claims all of the offsetting revenues received from the sale of recyclable materials, limited by the provisions of Public Resources Code section 42925 and Public Contract Code section 12167.1. The original Parameters and Guidelines did not require community colleges to identify and deduct from their claims any offsetting cost savings resulting from the solid waste diversion activities required by the test claim statutes.<sup>59</sup>

**B. Superior Court Decision Regarding Cost Savings and Offsets Under the Program**

After the Parameters and Guidelines were adopted, the Department of Finance (Finance) and CIWMB filed a petition for a writ of mandate requesting the court to direct the Commission to set aside the Test Claim Statement of Decision and Parameters and Guidelines and to issue a new Decision and Parameters and Guidelines that give full consideration to the cost savings and offsetting revenues community college districts will achieve by complying with the test claim statutes, including all cost savings realized from avoided landfill disposal fees and revenues received from the collection and sale of recyclable materials. The petitioners further argued that Public Contract Code sections 12167 and 12167.1 do not require community college districts to deposit revenues received from the collection and sale of recyclable materials into the Integrated Waste Management Account, as determined by the Commission, but instead allow community college districts to retain all revenues received. The petitioners argued that such revenues must be identified as offsetting revenues and applied to the costs of the program, without the community college district obtaining the approval of the Legislature or CIWMB.

On May 29, 2008, the Sacramento County Superior Court granted the petition for writ of mandate, finding that the Commission's treatment of cost savings and revenues in the Parameters and Guidelines was erroneous and required that the Parameters and Guidelines be amended. The court said:

There is no indication in the administrative record or in the legal authorities provided to the court that, as respondent [Commission] argues, a California Community College might not receive the full reimbursement of its actual increased costs required by section 6 if its claims for reimbursement of IWM plan costs were offset by realized cost savings and all revenues received from the plan activities.<sup>60</sup>

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<sup>58</sup> Exhibit A, IRC, page 45 (Parameters and Guidelines, adopted March 30, 2005).

<sup>59</sup> Exhibit A, IRC, page 41-51 (Parameters and Guidelines, adopted March 30, 2005).

<sup>60</sup> Exhibit B, Controller's Late Comments on the IRC, page 84 (Ruling on Submitted Matter).

Instead, the court recognized that community colleges are “likely to experience costs savings in the form of reduced or avoided costs of landfill disposal” as a result of the mandated activities in Public Resources Code section 42921 because reduced or avoided costs “are a direct result and an integral part of the IWM plan mandated under Public Resources Code section 42920 et seq.: as solid waste diversion occurs, landfill disposal of the solid waste and associated landfill disposal costs are reduced or avoided.”<sup>61</sup> The court noted that “diversion is defined in terms of landfill disposal for purposes of the IWM plan mandates” and cited the statutory definition of diversion: “activities which reduce or eliminate the amount of solid waste from solid waste disposal for purposes of this division [i.e., division 30, including § 42920 et seq.]” as well as the statutory definition of disposal: “the management of solid waste through landfill disposal or transformation at a permitted solid waste facility.”<sup>62</sup> The court explained that:

[R]eduction or avoidance of landfill fees resulting from solid waste diversion activities under § 42920 et seq. represent savings *which must be offset* against the costs of the diversion activities to determine the reimbursable costs of the IWM plan implementation . . . The amount or value of the savings may be determined from the calculations of annual solid waste disposal reduction or diversion which California Community Colleges must annually report to petitioner Integrated Waste Management Board pursuant to subdivision (b)(1) of Public Resources Code section 42926.<sup>63</sup>

The court harmonized section 42925(a) with Public Contract Code sections 12167 and 12167.1:

By requiring the redirection of cost savings from state agency IWM plans to fund plan implementation and administration costs “in accordance with Sections 12167 and 12167.1 of the Public Contract Code,” section 42925 assures that cost savings realized from state agencies’ IWM plans are handled in a manner consistent with the handling of revenues received from state agencies’ recycling plans under the State Assistance for Recycling Markets Act. Thus, in accordance with section 12167, state agencies, along with California Community Colleges which are defined as state agencies for purposes of IWM plan requirements in Public Resources Code section 42920 et seq. [citations omitted], must deposit cost savings resulting from IWM plans in the Integrated Waste Management Account in the Integrated Waste Management Fund; the funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature, may be expended by the Integrated Waste Management Board for the purpose of offsetting IWM plan costs. In accordance with section 12167.1 and notwithstanding section 12167, cost savings from the IWM plans of the agencies and colleges that do not exceed \$2000 annually are continuously appropriated for expenditure by the agencies and colleges for the purpose of offsetting IWM plan

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<sup>61</sup> Exhibit B, Controller’s Late Comments on the IRC, page 84 (Ruling on Submitted Matter). Emphasis added.

<sup>62</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 84-85 (Ruling on Submitted Matter).

<sup>63</sup> Exhibit B, Controller’s Late Comments on the IRC, page 85 (Ruling on Submitted Matter). Emphasis added.

implementation and administration costs; cost savings resulting from IWM plans in excess of \$2000 annually are available for such expenditure by the agencies and colleges when appropriated by the Legislature.<sup>64</sup>

The court issued a writ of mandate directing the Commission to amend the Parameters and Guidelines to require community college districts claiming reimbursable costs of an integrated waste management plan to:

1. Identify and offset from their claims, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1, cost savings realized as a result of implementing their plans; and
2. Identify and offset from their claims all of the revenue generated as a result of implementing their plans, without regard to the limitations or conditions described in sections 12167 and 12167.1 of the Public Contract Code.<sup>65</sup>

### **C. Parameters and Guidelines Amendment Pursuant to the Writ**

In compliance with the writ, the Commission amended the Parameters and Guidelines on September 26, 2008 to add section VIII. Offsetting Cost Savings, which states:

Reduced or avoided costs realized from implementation of the community college districts' Integrated Waste Management plans shall be identified and offset from this claim as cost savings, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1. Pursuant to these statutes, community college districts are required to deposit cost savings resulting from their Integrated Waste Management plans in the Integrated Waste Management Account in the Integrated Waste Management Fund; the funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature, may be expended by the California Integrated Waste Management Board for the purpose of offsetting Integrated Waste Management plan costs. Subject to the approval of the California Integrated Waste Management Board, cost savings by a community college that do not exceed two thousand dollars (\$2,000) annually are continuously appropriated for expenditure by the community college for the purpose of offsetting Integrated Waste Management program costs. Cost savings exceeding two thousand dollars (\$2,000) annually may be available for expenditure by the community college only when appropriated by the Legislature. To the extent so approved or appropriated and applied to the college, these amounts shall be identified and offset from the costs claimed for implementing the Integrated Waste Management Plan.<sup>66</sup>

Section VII. of the Parameters and Guidelines, on Offsetting Revenues, was amended as follows (amendments in ~~strikeout~~ and underline):

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<sup>64</sup> Exhibit B, Controller's Late Comments on the IRC, pages 86-87 (Ruling on Submitted Matter).

<sup>65</sup> Exhibit B, Controller's Late Comments on the IRC, page 31 (Judgment Granting Petition for Writ of Administrative Mandamus).

<sup>66</sup> Exhibit A, IRC, page 63 (Amended Parameters and Guidelines, adopted Sept. 26, 2008).

Reimbursement for this mandate from any source, including but not limited to, services fees collected, federal funds, and other state funds allocated to any service provided under this program, shall be identified and ~~deducted~~ offset from this claim. Offsetting revenue shall include all revenues generated from implementing the Integrated Waste Management Plan. ~~the revenues cited in Public Resources Code section 42925 and Public Contract Code sections 12167 and 12167.1.~~

~~Subject to the approval of the California Integrated Waste Management Board, revenues derived from the sale of recyclable materials by a community college that do not exceed two thousand dollars (\$2,000) annually are continuously appropriated for expenditure by the community college for the purpose of offsetting recycling program costs. Revenues exceeding two thousand dollars (\$2,000) annually may be available for expenditure by the community college only when appropriated by the Legislature. To the extent so approved or appropriated and applied to the college, these amounts are a reduction to the recycling costs mandated by the state to implement Statutes 1999, chapter 764.~~

In addition, revenue from a building-operating fee imposed pursuant to Education Code section 76375, subdivision (a) if received by a claimant and the revenue is applied to this program, shall be deducted from the costs claimed.<sup>67</sup>

All other requirements in the Parameters and Guidelines remained the same.

CIWMB requested additional amendments to the Parameters and Guidelines at this September 2008 hearing, including a request to alter the offsetting savings provision to require community college districts to provide offsetting savings information *whether or not* the offsetting savings generated in a fiscal year exceeded the \$2,000 continuous appropriation required by Public Contract Code sections 12167 and 12167.1. The Commission denied the request because the proposed language went beyond the scope of the court's judgment and writ.<sup>68</sup> As the court found:

By requiring the redirection of cost savings from state agency IWM plans to fund plan implementation and administration costs "in accordance with Sections 12167 and 12167.1 of the Public Contract Code," section 42925 assures that cost savings realized from state agencies' IWM plans are handled in a manner consistent with the handling of revenues received from state agencies' recycling plans under the State Assistance for Recycling Markets Act. Thus, in accordance with section 12167, state agencies, along with California Community Colleges which are defined as state agencies for purposes of IWM plan requirements in Public Resources Code section 42920 et seq. [citations omitted], must deposit cost savings resulting from IWM plans in the Integrated Waste Management Account in the Integrated Waste Management Fund; the funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature,

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<sup>67</sup> Exhibit A, IRC, pages 62-63 (Amended Parameters and Guidelines, adopted Sept. 26, 2008).

<sup>68</sup> Exhibit X, Commission on State Mandates, Excerpt from the Minutes for the September 26, 2008 Meeting.

may be expended by the Integrated Waste Management Board for the purpose of offsetting IWM plan costs. In accordance with section 12167.1 and notwithstanding section 12167, cost savings from the IWM plans of the agencies and colleges that do not exceed \$2000 annually are continuously appropriated for expenditure by the agencies and colleges for the purpose of offsetting IWM plan implementation and administration costs; cost savings resulting from IWM plans in excess of \$2000 annually are available for such expenditure by the agencies and colleges when appropriated by the Legislature.<sup>69</sup>

CIWMB also requested adding a requirement for community college districts to analyze specified categories of potential cost savings when filing their reimbursement claims. The Commission found that the court determined that the amount or value of cost savings is already available from the annual reports the community college districts provide to CIWMB pursuant to Public Resources Code section 42926(b). This report is required to include the district's "calculations of annual disposal reduction" and "information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors." Thus, the Commission denied CIWMB's request and adopted the staff analysis finding that the request was beyond the scope of the court's writ and judgment. The Commission also noted that the request was the subject of separate pending request filed by CIWMB to amend the Parameters and Guidelines and would therefore be further analyzed for that matter.

#### **D. Subsequent Request by CIWMB to Amend the Parameters and Guidelines to Require Detailed Reports on Cost Savings and Revenues**

CIWMB filed a request to amend the Parameters and Guidelines to require community college districts to submit with their reimbursement claims a separate worksheet and report analyzing the costs incurred and avoided and any fees received relating to staffing, overhead, materials, storage, transportation, equipment, the sale of commodities, avoided disposal fees, and any other revenue received relating to the mandated program as specified by CIWMB. At its January 30, 2009 meeting, the Commission denied the request for the following reasons: there is no requirement in statute or regulation that community college districts perform the analysis specified by CIWMB; the Commission has no authority to impose additional requirements on community college districts regarding this program; the offsetting cost savings paragraph in the Parameters and Guidelines already identifies the offsetting savings consistent with the language of Public Resources Code section 42925(a), Public Contract Code sections 12167 and 12167.1, and the court's judgment and writ; and information on cost savings is already available in the community colleges' annual reports submitted to CIWMB, as required by Public Resources Code section 42926(b)(1).<sup>70</sup>

#### **E. Integrated Waste Management Program Made Optional**

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<sup>69</sup> Exhibit B, Controller's Late Comments on the IRC, pages 86-87 (Ruling on Submitted Matter).

<sup>70</sup> Exhibit X, Commission on State Mandates, Item 9, Final Staff Analysis of Proposed Amendments to the Parameters and Guidelines for *Integrated Waste Management*, 05-PGA-16, January 30, 2009, pages 2-3.



This program was made optional by statutes of 2010, chapter 724 (AB1610), section 34, effective October 19, 2010, and has remained so since that time.<sup>71</sup>

#### **F. The Controller's Audit**

The Controller audited the reimbursement claims for the 1999-2000, 2000-2001, and 2003-2004 through 2010-2011 fiscal years (the audit period). Of the total of \$436,519 claimed for these fiscal years, the Controller found that \$140,311 is allowable and \$296,208 is unallowable because the claimant did not report offsetting savings from implementation of its IWM plan.<sup>72</sup> The Controller did not audit the claims for 2001-2002 and 2002-2003 because, according to the Controller, the statute of limitations to initiate the audit had expired before the Controller began the review.<sup>73</sup>

The Controller's audit finding is based on the court's ruling, which states that "the amount or value of the savings may be determined from the calculations of annual solid waste disposal reduction or diversion which California community colleges must annually report to petitioner Integrated Waste Management Board pursuant to subdivision (b)(1) of Public Resources Code section 42926,"<sup>74</sup> the resulting amendment to the Parameters and Guidelines, and the claimant's annual reports to CIWMB.<sup>75</sup>

During the audit period, the claimant operated two campuses: FCC and Reedley College, each of which submitted annual reports to CIWMB.<sup>76</sup> The Controller determined, based on the annual reports, that FCC diverted more solid waste than the amount mandated by the test claim statute each year of the audit period.<sup>77</sup> The Controller also found that Reedley College diverted more solid waste than the mandated amount in all years except 2000 and 2003, when the tons of solid waste diverted did not reach the mandated levels.<sup>78</sup> Thus, the Controller found that the claimant realized cost savings in each year of the audit period.

For the years the claimant *exceeded* the diversion mandate of 25 or 50 percent, the Controller calculated cost savings by allocating the diversion achieved to reflect the state mandate and used the following formula:<sup>79</sup>

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<sup>71</sup> See Government Code section 17581.5.

<sup>72</sup> Exhibit A, IRC, pages 25, 35 (Final Audit Report). Exhibit B, Controller's Late Comments on the IRC, pages 7 and 28.

<sup>73</sup> Exhibit A, IRC, page 25 (Final Audit Report).

<sup>74</sup> Exhibit B, Controller's Late Comments on the IRC, page 85 (Ruling on Submitted Matter).

<sup>75</sup> Exhibit B, Controller's Late Comments on the IRC, pages 35-77.

<sup>76</sup> Exhibit B, Controller's Late Comments on the IRC, pages 35-55 (FCC Annual Reports) 56-77 (Reedley College Annual Reports).

<sup>77</sup> Exhibit B, Controller's Late Comments on the IRC, page 92.

<sup>78</sup> Exhibit A, IRC, page 35, fn. 2 (final audit report); Exhibit B, Controller's Late Comments on the IRC, page 93.

<sup>79</sup> Exhibit A, IRC, pages 37-38 (final audit report); Exhibit B, Controller's Late Comments on the IRC, page 21.

$$\text{Offsetting Savings Realized} = \frac{\text{Allocated Diversion \%}}{\text{Actual Diversion \%}} \times \text{Tonnage Diverted} \times \text{Avoided Landfill Disposal Fee (per Ton)}$$

Maximum Allowable Diversion %

This allocated diversion rate is the percentage of solid waste required to be diverted (25 or 50 percent) divided by the actual percentage of solid waste diverted (as annually reported by the claimant to CIWMB). The resulting quotient is then multiplied by the tons of solid waste diverted, multiplied by the avoided landfill disposal fee (based on the statewide average fee).<sup>80</sup>

The Controller provided an example of how this formula works. For calendar year 2007, FCC reported that it diverted 346.2 tons of solid waste and disposed of 326.8 tons, which totals 673 tons of solid waste generated for that year. Diverting 346.2 tons out of the 673 tons of waste generated results in a diversion rate of 51.44 percent (more than the 50 percent required).<sup>81</sup> The Controller did not want to penalize the claimant for diverting more solid waste than the amount mandated,<sup>82</sup> so instead of using 100 percent of the claimant’s diversion to calculate cost savings, the Controller allocated the diversion by dividing the mandated diversion rate (50 percent) by the actual diversion rate (51.44 percent), which equals 97.2 percent. The allocated diversion rate of 97.2 percent is then multiplied by the 346.2 tons diverted that year, which equals 336.5 tons of diverted solid waste, instead of the 346.2 tons actually diverted. The allocated 336.5 tons of diverted waste is then multiplied by the statewide average disposal fee per ton, which in calendar year 2007 was \$48, resulting in “offsetting cost savings” for calendar year 2007 of \$16,152.<sup>83</sup>

<sup>80</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 92-93.

<sup>81</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 21, 92 (Controller’s calculations of offsetting savings for Fresno City College).

<sup>82</sup> Exhibit B, Controller’s Late Comments on the IRC, page 20.

<sup>83</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 21, 93 (Controller’s calculations of offsetting savings). Page 21 of the Controller’s Late Comments on the IRC describe the calculation differently than the formula in the audit report, but the result is the same. The Controller states that cost savings can be calculated by multiplying the total tonnage generated (solid waste diverted + disposed) by the mandated diversion percentage (25 or 50 percent), times the avoided landfill disposal fee:

For example, in calendar year 2007, the Fresno City College reported to CalRecycle that it diverted 346.1 tons of solid waste and disposed of 326.8 tons, which results in an overall diversion percentage of 51.4% [Tab 4, page 12]. Because the district was required to divert 50% for that year to meet the mandated requirements and comply with the Public Resources Code, it needed to divert only 336.5 tons (673.0 total tonnage generated x 50%) in order to satisfy the 50% requirement. Therefore, we adjusted our calculation to compute offsetting savings based on 336.5 tons of diverted solid waste rather than a total of 346.2 tons diverted.

To calculate cost savings when the claimant did *not* reach the mandated diversion rate, the Controller multiplied 100 percent of the solid waste diverted by the avoided landfill disposal fee (based on the statewide average fee). For example, from January 1, 2000, until June 30, 2000, Reedley College generated 793.90 tons of waste, and diverted 195.10 tons, achieving 24.57 percent diversion. The state mandated a 25 percent diversion rate during this time period. The Controller calculated offsetting cost savings by multiplying *all* of the solid waste diverted (195.10 tons) times the avoided landfill disposal fee (\$36.39), for a total offset of \$7,100.<sup>84</sup> In 2000, FCC reported that its annual report had not been finalized, yet costs were claimed for diversion activities for both 1999-2000 and 2000-2001.<sup>85</sup> Since the Controller did not have the 2000 annual report data, the 2001 diversion percentage was used to calculate the offsetting savings for 1999-2000 and 2000-2001.<sup>86</sup>

In 2008, CIWMB stopped requiring community college districts to report the actual tonnage diverted, instead requiring a report based on "per-capita disposal." Consequently, the Controller used the claimant's reported 2007 percentage of tons diverted to calculate the offsetting savings for the last half of fiscal year 2007-2008, as well as for fiscal years 2008-2009, 2009-2010 and 2010-2011.<sup>87</sup>

According to the Controller, the claimant did not provide any documentation to support the use of different diversion rates or different disposal fees to calculate offsetting cost savings.<sup>88</sup>

### **III. Positions of the Parties**

#### **A. State Center Community College District**

The claimant maintains that the audit reductions are incorrect and requests the reinstatement of the full amount reduced. The claimant alleges that it did not realize any cost savings as a result of the mandate and quotes the Superior Court decision (discussed above) that cost savings will "most likely" occur as a result of reduced or avoided costs of landfill disposal. The claimant argues that:

The court presupposes a previous legal requirement for districts to incur landfill disposal fees to divert solid waste. Thus, potentially relieved of the need to incur new or additional landfill fees for increased waste diversion, a cost savings would occur. There is no finding of fact or law in the court decision or from the

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Using this formula also results in cost savings for calendar year 2007 of \$16,152 (673.0 tons generated x 50 percent = 336.5 tons x \$48 = \$16,152).

<sup>84</sup> Exhibit B, Controller's Late Comments on the IRC, page 93.

<sup>85</sup> Exhibit B, Controller's Late Comments on the IRC, page 34 (FCC 2000 Report). Exhibit A, IRC, pages 209-218 (1999-2000 and 2000-2001 Claims for Payment).

<sup>86</sup> Exhibit A, IRC, page 38 (Final Audit Report).

<sup>87</sup> Exhibit A, IRC, page 38 (Final Audit Report).

<sup>88</sup> Exhibit A, IRC, pages 38, 39 (Final Audit Report); Exhibit B, Controller's Late Comments on the IRC, page 23.

Commission Statement of Decision for the test claim for this assumed duty to use landfills.<sup>89</sup>

The claimant further argues that the offsetting savings provision in the Parameters and Guidelines does not assume that the cost savings occurred, but instead requires that the cost savings be *realized*. For the savings to be realized, the claimant contends that the following chain of events are required:

The cost savings must exist (avoided landfill costs); be converted to cash; amounts in excess of \$2,000 per year deposited in the state fund; and, these deposits by the districts appropriated by the Legislature to districts for purposes of mitigating the cost of implementing the plan. None of those prerequisite events occurred so no cost savings were "realized" by the District. Regardless, the adjustment cannot be applied to the District since no state appropriation of the cost savings was made to the District.<sup>90</sup>

The claimant also argues that the Parameters and Guidelines are silent as to how to calculate the avoided costs, but that the court provided two alternative methods, either disposal reduction or diversion reported by districts. The Controller used the diversion percentage, which assumes, without findings of fact, that all diversion tonnage is landfill disposal tonnage reduction. According to the claimant, the Controller's calculation of cost savings is wrong because: (1) the formula is a standard of general application that was not adopted pursuant to the Administrative Procedure Act and is therefore an unenforceable underground regulation; (2) the Controller's formula assumes facts not in evidence, such as applying the same percentage of waste diverted in 2007 to all subsequent years without evidence in the record, and applying the reported 2001 diversion percentage at FCC to calculate offsetting savings for 1999-2000 and 2000-2001 because the school's annual report had not been finalized, and assumes that all tonnage diverted would have been disposed in a landfill, although some waste may have been composted or may not apply to the mandate (e.g. paint); and (3) the landfill disposal fee, a statewide average calculated by CIWMB, does not include the data used to generate the average fee amounts, so the average is unknown and unsupported by the audit findings.<sup>91</sup>

The claimant also asserts that application of the formula is incorrect. Since no landfill costs were claimed, none can be offset, so the offsets are not properly matched to relevant costs. Moreover, the Controller's calculation method prevents the claimant from receiving full reimbursement for its actual increased program costs. The claimant contends, using audit results for 23 other claimants under the *Integrated Waste Management* program, the application of the Controller's formula has arbitrary results because the percentages of allowed costs for those claimants ranges from zero to 83.4 percent.<sup>92</sup>

Finally, the claimant argues: (1) the Controller used the wrong standard of review in that the claimed costs were not found to be excessive or unreasonable, as required by Government Code

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<sup>89</sup> Exhibit A, IRC, page 11.

<sup>90</sup> Exhibit A, IRC, page 13. Emphasis in original.

<sup>91</sup> Exhibit A, IRC, pages 14-16.

<sup>92</sup> Exhibit A, IRC, pages 16-18.

section 17561(d)(2); and (2) the Controller has the burden of proof as to the propriety of its audit findings “because it bears the burden of going forward and because it is the party with the power to create, maintain, and provide evidence regarding its auditing methods and procedures, as well as the specific facts relied upon for its audit findings.”<sup>93</sup>

### **B. State Controller’s Office**

The Controller maintains that the audit findings are correct. The Controller notes that the claimant does not indicate how solid waste that is not diverted would be disposed of if not at a landfill. In addition, the claimant does not state that it disposed of its solid waste at any location other than a landfill or used any other means to dispose of its waste rather than to contract with a commercial waste hauler.<sup>94</sup>

The Controller concludes that the claimant’s comments relating to alternatives for the disposal of solid waste are irrelevant and cites the claimant’s reports of tonnage disposed, stating that the claimant “does not indicate in these annual reports that it used any other methodology to dispose of solid waste.”<sup>95</sup> The Controller also cites the narrative in some of the claimant’s annual reports that indicates that the claimant disposed of waste in a landfill.<sup>96</sup> According to the Controller: “Unless the district had an arrangement with its waste hauler that it did not disclose to us or CalRecycle, the district did not dispose of its solid waste at a landfill for no cost.”<sup>97</sup>

As to the claimant not remitting cost savings from the implementation of its IWM plan into the Integrated Waste Management Account in compliance with the Public Contract Code, the Controller asserts that the claimant is not precluded from the requirement to do so, as indicated in the Parameters and Guidelines and the court ruling, and that the evidence supports the claimant’s realization of cost savings that should have been remitted to the State and that must be used to fund IWM plan costs.<sup>98</sup>

In response to the claimant’s argument that the Controller’s formula is a standard of general application that is an underground regulation, the Controller asserts that the calculation is a “court approved methodology” to determine the “required offset.” The Controller also states that the claimant did not amend any of its reimbursement claims after the Parameters and Guidelines were amended in September 2008. According to the Controller: “We believe that this “court-identified” approach provides a reasonable methodology to identify the required offset.”<sup>99</sup>

The Controller further explains that for years in which the claimant exceeded the mandated levels (25 or 50 percent) of diversion, the Controller “allocated” the offsetting savings to avoid

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<sup>93</sup> Exhibit A, IRC, page 21.

<sup>94</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 16-17.

<sup>95</sup> Exhibit B, Controller’s Late Comments on the IRC, page 17.

<sup>96</sup> Exhibit B, Controller’s Late Comments on the IRC, page 17.

<sup>97</sup> Exhibit B, Controller’s Late Comments on the IRC, page 17.

<sup>98</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 18-19.

<sup>99</sup> Exhibit B, Controller’s Late Comments on the IRC, page 19.

penalizing the claimant for diverting more than the minimum percentage. According to the Controller:

As there is no State mandate to exceed solid waste diversion for amounts in excess of 25% for calendar years 2002 through 2003 or 50% for calendar year 2004 and later, there is no basis for calculating offsetting savings realized for actual diversion percentages that exceeded the levels set by statute.<sup>100</sup>

The Controller defended its use of the 2001 data to calculate FCC's diversion rates for fiscal years 1999-2000 and 2000-2001, stating that the Controller confirmed that FCC performed diversion activities in 2000, but the 2000 diversion information was not available because FCC's annual report had not been finalized.<sup>101</sup>

The Controller notes that after the passage of Statutes 2008, chapter 343, CIWMB no longer required community college districts to report their tonnage or percentage diverted, but they are still required to divert 50 percent of their solid waste. Thus, the Controller asserts that the 2007 annual report is a "fair representation" of 2008 -2011 "because the district's recycling processes have already been established and committed to."<sup>102</sup> The Controller notes that the claimant's reported per-capita disposal rate is well below the target rate for 2008, 2009, and 2010, so "the district met its requirement to divert 50% of its solid waste."<sup>103</sup> The Controller also cites Reedley College's 2008 report that states: "In the source reduction area the use of electronic media also shows growth, this was identified in the addition of forms and catalogs now available on our website," and "One of our Industrial Trades Programs now reports their recycling of tractor and farm equipment metals."<sup>104</sup> Based on these claimant statements, the Controller states that its savings calculations for 2007-2008 through 2010-2011, could be understated.<sup>105</sup>

The Controller also responds to the claimant's argument against the assumption that all tonnage diverted would have been disposed in a landfill, and observes that none of the claimant's annual reports during the audit period mention that any of its waste was composted. The Controller also states that the claimant's reference to paint or hazardous waste disposal is irrelevant because hazardous waste is not included in the diversion amounts the claimant reported, and are not included in the Controller's offsetting savings calculation.<sup>106</sup>

Regarding the data for the statewide disposal fee, the Controller states the information was provided by CIWMB, is included in the record, and is based on private surveys of a large percentage of landfills across California. In addition, the claimant "did not provide any information, such as its contract with or invoices received from its commercial waste hauler to

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<sup>100</sup> Exhibit B, Controller's Late Comments on the IRC, page 21.

<sup>101</sup> Exhibit B, Controller's Late Comments on the IRC, page 20.

<sup>102</sup> Exhibit B, Controller's Late Comments on the IRC, page 21.

<sup>103</sup> Exhibit B, Controller's Late Comments on the IRC, page 21.

<sup>104</sup> Exhibit B, Controller's Late Comments on the IRC, pages 22 and 71 (2008 Annual Report).

<sup>105</sup> Exhibit B, Controller's Late Comments on the IRC, page 22.

<sup>106</sup> Exhibit B, Controller's Late Comments on the IRC, page 22.

support either the landfill fees actually incurred by the district or to confirm that the statewide average landfill fee was greater than the actual landfill fees incurred by the district.”<sup>107</sup>

In response to the claimant’s argument that it “did not claim landfill costs, so there are none to be offset,” the Controller answers that the mandated program does not reimburse claimants for landfill costs incurred to dispose of solid waste, so none would be claimable. Rather, the claimant’s costs to divert solid waste from disposal are reimbursable, which according to the Controller, results in both a reduction of solid waste going to a landfill in compliance with its IWM plan, and the associated costs of having the waste hauled there, which are required to offset reimbursement claims.<sup>108</sup>

In response to the claimant’s argument that “the adjustment method does not match or limit the landfill costs avoided to landfill costs, if any, actually claimed,” the Controller quotes Public Resources Code section 42925 which provides that “cost savings realized as a result of the IWM plan are to “fund plan *implementation and administration costs*.”<sup>109</sup> The Controller argues that offsetting savings apply to the whole program and is not limited to solid waste diversion activities. The Controller also cites the reimbursable activities in the Parameters and Guidelines that refer to “implementation of the IWM plan,” concluding that it is reasonable that offsetting savings from implementing the plan be offset against direct costs to implement the plan. The Controller also asserts that the claimant’s reference to other IWM audits is irrelevant to the current issue.<sup>110</sup>

The Controller also disagrees with the claimant’s assertion that the Controller used the wrong standard of review. The Controller states that Government Code section 17561(d)(2) authorizes the Controller to audit the district’s records to verify actual mandate-related costs, *and* reduce any claim that is excessive or unreasonable. In this case, the claims were excessive because the amount claimed did not take into account any cost savings as required by the test claim statutes. As to the burden of proof, the Controller states that it used data from the claimant’s annual reports from implementing its IWM program.<sup>111</sup>

#### **IV. Discussion**

Government Code section 17561(d) authorizes the Controller to audit the claims filed by local agencies and school districts and to reduce any claim for reimbursement of state mandated costs that the Controller determines is excessive or unreasonable.

Government Code Section 17551(d) requires the Commission to hear and decide a claim that the Controller has incorrectly reduced payments to the local agency or school district. If the Commission determines that a reimbursement claim has been incorrectly reduced, section 1185.9 of the Commission’s regulations requires the Commission to send the decision to the Controller and request that the costs in the claim be reinstated.

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<sup>107</sup> Exhibit B, Controller’s Late Comments on the IRC, page 23.

<sup>108</sup> Exhibit B, Controller’s Late Comments on the IRC, page 23.

<sup>109</sup> Public Resources Code section 42925. Emphasis added.

<sup>110</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 23-24.

<sup>111</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 26-28.

The Commission must review questions of law, including interpretation of the parameters and guidelines, de novo, without consideration of legal conclusions made by the Controller in the context of an audit. The Commission is vested with exclusive authority to adjudicate disputes over the existence of state-mandated programs within the meaning of article XIII B, section 6 of the California Constitution.<sup>112</sup> The Commission must also interpret the Government Code and implementing regulations in accordance with the broader constitutional and statutory scheme. In making its decisions, the Commission must strictly construe article XIII B, section 6 of the California Constitution and not apply it as an “equitable remedy to cure the perceived unfairness resulting from political decisions on funding priorities.”<sup>113</sup>

With regard to the Controller’s audit decisions, the Commission must determine whether they were arbitrary, capricious, or entirely lacking in evidentiary support. This standard is similar to the standard used by the courts when reviewing an alleged abuse of discretion of a state agency.<sup>114</sup> Under this standard, the courts have found that:

When reviewing the exercise of discretion, “[t]he scope of review is limited, out of deference to the agency’s authority and presumed expertise: ‘The court may not reweigh the evidence or substitute its judgment for that of the agency. [Citation.]’” ... “In general ... the inquiry is limited to whether the decision was arbitrary, capricious, or entirely lacking in evidentiary support. . . .” [Citations.] When making that inquiry, the “ ‘court must ensure that an agency has adequately considered all relevant factors, and has demonstrated a rational connection between those factors, the choice made, and the purposes of the enabling statute.’ ”<sup>115</sup>

The Commission must review the Controller’s audit in light of the fact that the initial burden of providing evidence for a claim of reimbursement lies with the claimant.<sup>116</sup> In addition, sections 1185.1(f)(3) and 1185.2(c) of the Commission’s regulations require that any assertions of fact by the parties to an IRC must be supported by documentary evidence. The Commission’s ultimate findings of fact must be supported by substantial evidence in the record.<sup>117</sup>

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<sup>112</sup> *Kinlaw v. State of California* (1991) 54 Cal.3d 326, 331-334; Government Code sections 17551, 17552.

<sup>113</sup> *County of Sonoma v. Commission on State Mandates* (2000) 84 Cal.App.4th 1264, 1281, citing *City of San Jose v. State of California* (1996) 45 Cal.App.4th 1802, 1817.

<sup>114</sup> *Johnston v. Sonoma County Agricultural Preservation and Open Space Dist.* (2002) 100 Cal.App.4th 973, 983-984. See also *American Bd. of Cosmetic Surgery, Inc. v. Medical Bd. of California* (2008) 162 Cal.App.4th 534, 547.

<sup>115</sup> *American Bd. of Cosmetic Surgery, Inc. v. Medical Bd. of California* (2008) 162 Cal.App.4th 534, 547-548.

<sup>116</sup> *Gilbert v. City of Sunnyvale* (2005) 130 Cal.App.4th 1264, 1274-1275.

<sup>117</sup> Government Code section 17559(b), which provides that a claimant or the state may commence a proceeding in accordance with the provisions of section 1094.5 of the Code of Civil Procedure to set aside a decision of the Commission on the ground that the Commission’s decision is not supported by substantial evidence in the record.



**The Controller’s Reduction of Costs Is Generally Correct as a Matter of Law; However, the Reduction of Costs for the First Half of Fiscal Year 2003-2004 Based on the Incorrect Mandated Diversion Rate, Is Incorrect as a Matter of Law and Is Arbitrary, Capricious, and Entirely Lacking in Evidentiary Support.**

- A. The test claim statutes presume that by complying with the mandate to divert solid waste through the IWM program, landfill fees are reduced or avoided and cost savings are realized.

The test claim statute added Public Resources Code section 42925(a), which provides that “Any cost savings realized as a result of the state agency integrated waste management plan shall, to the extent feasible, be redirected to the agency’s integrated waste management plan to fund plan implementation and administration costs, in accordance with Sections 12167 and 12167.1 of the Public Contract Code.”

The court’s Ruling on Submitted Matter states that community colleges are “likely to experience costs savings in the form of reduced or avoided costs of landfill disposal” as a result of the mandated activities in Public Resources Code section 42921 because reduced or avoided costs “are a direct result and an integral part of the IWM plan mandated under Public Resources Code section 42920 et seq.: as solid waste diversion occurs, landfill disposal of the solid waste and associated landfill disposal costs are reduced or avoided.” The court noted that “diversion is defined in terms of landfill disposal for purposes of the IWM plan mandates.” The statutory definition of diversion is “activities which reduce or eliminate the amount of solid waste from solid waste disposal for purposes of this division.” And the statutory definition of disposal is “the management of solid waste through landfill disposal or transformation at a permitted solid waste facility.”<sup>118</sup> The court explained that:

[R]eduction or avoidance of landfill fees resulting from solid waste diversion activities under § 42920 et seq. represent savings *which must be offset* against the costs of the diversion activities to determine the reimbursable costs of the IWM plan implementation . . . The amount or value of the savings may be determined from the calculations of annual solid waste disposal reduction or diversion which California Community Colleges must annually report to petitioner Integrated Waste Management Board pursuant to subdivision (b)(l) of Public Resources Code section 42926.<sup>119</sup>

The court harmonized section 42925(a) with Public Contract Code sections 12167 and 12167.1:

By requiring the redirection of cost savings from state agency IWM plans to fund plan implementation and administration costs “in accordance with Sections 12167 and 12167.1 of the Public Contract Code,” section 42925 assures that cost savings realized from state agencies’ IWM plans are handled in a manner consistent with the handling of revenues received from state agencies’ recycling plans under the State Assistance for Recycling Markets Act. Thus, in accordance

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<sup>118</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 84-85 (Ruling on Submitted Matter).

<sup>119</sup> Exhibit B, Controller’s Late Comments on the IRC, page 85 (Ruling on Submitted Matter). Emphasis added.

with section 12167, state agencies, along with California Community Colleges which are defined as state agencies for purposes of IWM plan requirements in Public Resources Code section 42920 et seq. [citations omitted], must deposit cost savings resulting from IWM plans in the Integrated Waste Management Account in the Integrated Waste Management Fund; the funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature, may be expended by the Integrated Waste Management Board for the purpose of offsetting IWM plan costs. In accordance with section 12167.1 and notwithstanding section 12167, cost savings from the IWM plans of the agencies and colleges that do not exceed \$2000 annually are continuously appropriated for expenditure by the agencies and colleges for the purpose of offsetting IWM plan implementation and administration costs; cost savings resulting from IWM plans in excess of \$2000 annually are available for such expenditure by the agencies and colleges when appropriated by the Legislature.<sup>120</sup>

Thus, the court found that offsetting savings are, by statutory definition, likely to occur as a result of implementing the mandated activities. Reduced or avoided costs “are a direct result and an integral part of the IWM plan mandated under Public Resources Code section 42920 et seq.: as solid waste diversion occurs, landfill disposal of the solid waste and associated landfill disposal costs are reduced or avoided.”<sup>121</sup> As the court held, “landfill fees resulting from solid waste diversion activities under § 42920 et seq. represent savings *which must be offset* against the costs of the diversion activities to determine the reimbursable costs. . . .”<sup>122</sup>

The statutes, therefore, presume that by complying with the mandate to divert solid waste through the IWM program, landfill fees are reduced or avoided and cost savings are realized. As indicated in the court’s ruling, the amount or value of the cost savings may be determined from the calculations of annual solid waste disposal reduction or diversion, which community colleges are required to annually report to CIWMB. The amount of cost savings realized must be identified by the claimant and used to offset the costs incurred to comply with IWM plan implementation and administration activities approved for reimbursement in the Parameters and Guidelines. Accordingly, the court’s ruling requires claimants to report in their reimbursement claims the costs incurred to comply with the reimbursable activities (which includes the activities and costs to divert at least 25 or 50 percent of all solid waste from landfill disposal) and the cost savings from the avoided landfill disposal fees, for a bottom line request for reimbursement of the net increased costs.

The Parameters and Guidelines are consistent with the court’s ruling and require in Section IV. that “[t]he claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that

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<sup>120</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 86-87 (Ruling on Submitted Matter).

<sup>121</sup> Exhibit B, Controller’s Late Comments on the IRC, page 84 (Ruling on Submitted Matter).

<sup>122</sup> Exhibit B, Controller’s Late Comments on the IRC, page 85 (Ruling on Submitted Matter). Emphasis added.

the claimant is required to incur as a result of the mandate.”<sup>123</sup> Section VIII. requires that “[r]educed or avoided costs realized from implementation of the community college districts’ Integrated Waste Management plans shall be identified and offset from this claim as cost savings, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1.”<sup>124</sup> The court’s decision and the amended Parameters and Guidelines are binding.<sup>125</sup>

B. During the audit period, the claimant diverted solid waste as required by the test claim statutes, but has filed no evidence to rebut the presumption that cost savings were realized. Thus, the Controller’s finding that the claimant realized cost savings is correct as a matter of law.

In this case, the claimant reported no cost savings in its reimbursement claims and asserts that no cost savings were realized, but does not explain why.<sup>126</sup>

The record shows that the claimant diverted more solid waste than required by the test claim statutes except in calendar year 2000 at Reedley College.<sup>127</sup> The test claim statute requires community colleges to divert at least 25 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2002, through source reduction, recycling, and composting activities, and divert at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004.<sup>128</sup> The claimant’s annual reports to CIWMB for calendar years 2000, 2001, and 2003 report diversion of 53.39 percent of the total tonnage of waste generated by FCC, which exceeds the mandated diversion requirement of 25 percent.<sup>129</sup> Reedley College achieved a diversion rate of 24.57 percent in calendar year 2000, just below the 25 percent required by the test claim statute.<sup>130</sup> Reedley College reported diversion of 25.02 to 26.11 percent for calendar years 2001 and 2003.<sup>131</sup> FCC’s annual reports to CIWMB for calendar years 2004 through 2007 also report diversion percentages that exceed the mandated diversion requirement of 50 percent, and range from 50.7 to 55.23 percent of the total tonnage of

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<sup>123</sup> Exhibit A, IRC, page 58 (Parameters and Guidelines).

<sup>124</sup> Exhibit A, IRC, page 63 (Parameters and Guidelines).

<sup>125</sup> *California School Boards Association v. State of California* (2009) 171 Cal.App.4th 1183, 1201.

<sup>126</sup> Exhibit A, IRC, page 9.

<sup>127</sup> Reedley College diverted 24.57 percent of its waste in 2000, just under the state requirement was 25 percent. Exhibit B, Controller’s Late Comments on the IRC, pages 56 (Reedley College 2000 Annual Report) and 93.

<sup>128</sup> Public Resources Code section 42921; Exhibit A, IRC, pages 55 and 59 (Parameters and Guidelines, section IV.(B)(5)).

<sup>129</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 34-38 and 92. FCC did not report diversion for 2000 because it had not finalized its 2000 report.

<sup>130</sup> Exhibit B, Controller’s Late Comments on the IRC, page 93.

<sup>131</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 58-61 and 92.

waste generated.<sup>132</sup> Similarly, the claimant's Reedley College annual reports to CIWMB for calendar years 2004 through 2007 range from 67.69 to 69.65 percent of waste diverted.<sup>133</sup>

In 2008, CIWMB stopped requiring community college districts to report the actual amount and percentage of tonnage diverted, and instead required them to report the "per-capita disposal" of waste.<sup>134</sup> As a result, each community college now has a disposal target that is the equivalent to a 50 percent diversion, and is expressed on a per capita basis. So if the district's per-capita disposal rate is less than the target, it means that the district is meeting the requirement to divert 50 percent of its solid waste.<sup>135</sup>

In this case, the reports for 2008, 2009, and 2010 show that the claimant's annual per capita disposal rate for both the employee and student populations to be equal to or less than the target rate (except the FCC 2009 report, showing a student population target of 0.10, and 0.14 was achieved; however the employee population target was 1.8, and 1.3 was achieved). Thus, the claimant satisfied the requirement to divert 50 percent of its solid waste during these years.<sup>136</sup>

In addition, the claimant's 2008, 2009, and 2010 reports continue to show that the claimant had solid waste reduction programs in place. In its 2008 report, FCC listed the following programs: Business Source Reduction, Material Exchange, Salvage Yards, Beverage Containers, Cardboard, Office Paper (white), Office Paper (mixed), Scrap Metal, Xeriscaping/grasscycling, White/brown Goods, Scrap Metal, Wood Waste, and as "planned for expansion" Food Waste Composting.<sup>137</sup> In its 2009 report, FCC stated "There are no major types of waste material that we are not diverting"<sup>138</sup> and "The amount of tonnage may be up this year due to the increase of construction and clean-up we have to do."<sup>139</sup> The 2009 report also listed Food Waste

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<sup>132</sup> Exhibit B, Controller's Late Comments on the IRC, pages 39-46 and 92.

<sup>133</sup> Exhibit B, Controller's Late Comments on the IRC, pages 62-69 and 92.

<sup>134</sup> The new requirement was a result of Statutes 2008, chapter 343 (SB 1016).

<sup>135</sup> Exhibit B, Controller's Late Comments on the IRC, pages 101-109 ("Understanding SB 1016 Solid Waste Per Capita Disposal Measurement Act", <http://www.calrecycle.ca.gov/lgcentral/goalmeasure/Tools/SimplePresen.pdf>.)

<sup>136</sup> Exhibit B, Controller's Late Comments on the IRC, pages 47 (FCC 2008 report, showing an employee population target of 1.8, and 1.8 was achieved; and a student population target of 0.10, and 0.08 was achieved); 50 (FCC 2009 report, showing an employee population target of 1.8, and 1.3 was achieved; and a student population target of 0.10, and 0.14 was achieved); and 53 (FCC 2010 report, showing an employee population target of 1.8, and 0.80 was achieved; and a student population target of 0.10, and 0.09 was achieved), 70 (Reedley College 2008 report, showing an employee population target of 14.2, and 8.8 was achieved; and a student population target of 0.4, and 0.26 was achieved); 72 (Reedley College 2009 report, showing an employee population target of 14.2, and 8.8 was achieved; and a student population target of 0.40, and 0.26 was achieved); 75 (Reedley College 2010 report, showing an employee population target of 14.2, and 9.7 was achieved; and a student population target of 0.40, and 0.27 was achieved).

<sup>137</sup> Exhibit B, Controller's Late Comments on the IRC, page 49.

<sup>138</sup> Exhibit B, Controller's Late Comments on the IRC, page 51.

<sup>139</sup> Exhibit B, Controller's Late Comments on the IRC, page 52.

Composting as an existing program, whereas in 2008 it was listed as a program that FCC planned or was expanding.<sup>140</sup> The FCC 2010 report also states that “We do not have any major types of waste materials that we are not diverting.”<sup>141</sup>

Similarly, the Reedley College 2008 report states, “We now utilize a secure area that allows this processing [for recyclables] to take place without disruption. One of our Industrial Trades Programs now reports their recycling of tractor and farm equipments [sic] metals.” It also states, “In the source reduction area the use of electronic media also shows growth, this was identified in the addition of forms and catalogs available on our website” and “Recycling, the participation of the campus student body in our program continues to increased [sic] by the number and type of containers used.”<sup>142</sup> Also, “Salvage Yards” was listed as a program that is planned or expanding.<sup>143</sup> The Reedley College 2009 report states:

Our Food Services Department is currently eliminating plastic and paper plates and replacing them with reusable plates. • Though out [sic] our campus we have started a program that all food containers will be disposed in designated receptacles. This will greatly decrease the cross contamination of recyclable trash in the same areas.<sup>144</sup>

According to the Reedley College 2010 report, “The current program has increased its effectiveness by allowing the combining of all office and classroom recyclables in to one collection container. . . . Along with this we have greatly decreased the use of plastic trash bags and labor involved in the removing and reinstalling them.”<sup>145</sup>

The record also shows that the tonnage of solid waste that was not diverted was disposed at a landfill. The annual reports filed by the claimant with CIWMB during the audit period identify the total tonnage of waste disposed and the use of a waste hauler.<sup>146</sup> Moreover, there are statements in the Reedley College<sup>147</sup> and FCC annual reports<sup>148</sup> pertaining to decreased landfill disposal, indicating that the claimant used a landfill to some extent. The avoided landfill disposal fee was based on the statewide average disposal fee provided by CIWMB for each fiscal

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<sup>140</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 52 and 49.

<sup>141</sup> Exhibit B, Controller’s Late Comments on the IRC, page 54.

<sup>142</sup> Exhibit B, Controller’s Late Comments on the IRC, page 71.

<sup>143</sup> Exhibit B, Controller’s Late Comments on the IRC, page 71.

<sup>144</sup> Exhibit B, Controller’s Late Comments on the IRC, page 73.

<sup>145</sup> Exhibit B, Controller’s Late Comments on the IRC, page 76.

<sup>146</sup> For example, the FCC 2001 report states, “Our refuge [sic] hauler provides us with data for our Annual Report” See Exhibit B, Controller’s Late Comments on the IRC, page 36. Similar statements were made in the FCC 2003 report (p. 38) the FCC 2004 report (p. 40), the FCC 2005 report (p. 42), the FCC 2006 report (p. 44), the FCC 2007 report (p. 46), the FCC 2008 report (p. 49), the FCC 2009 report (p. 51) and the FCC 2010 report (p. 54).

<sup>147</sup> Exhibit B, Controller’s Late Comments on the IRC, page 65 (Reedley College 2005 report).

<sup>148</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 40 (FCC 2004 report), 44 (FCC 2006 report).

year in the audit period, since the claimant did not provide any information to the Controller regarding the landfill fees it was charged.<sup>149</sup>

Based on this documentation, the Controller correctly presumed, consistent with the presumption in the test claim statutes and the court’s interpretation of those statutes and with no evidence to the contrary, that the percentage of waste diverted results in offsetting savings in an amount equal to the avoided landfill fee per ton of waste required to be diverted.

The statutory presumption of cost savings controls unless the claimant files evidence to rebut the presumption and shows that cost savings were not realized.<sup>150</sup> The claimant has the burden of proof on this issue. Under the mandates statutes and regulations, the claimant is required to show that it has incurred increased costs mandated by the state when submitting a reimbursement claim to the Controller’s Office, and the burden to show that any reduction made by the Controller is incorrect.<sup>151</sup> The Parameters and Guidelines, as amended pursuant to the court’s

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<sup>149</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 23, 116-138.

<sup>150</sup> Government Code section 17559, which requires that the Commission’s decisions be supported by substantial evidence in the record. See also, *Coffy v. Shiimoto* (2015) 60 Cal.4th 1198, 1209, a case interpreting the rebuttable presumption in Vehicle Code section 23152 that if a person had 0.08 percent or more, by weight, of alcohol in the blood at the time of testing, then it is presumed by law that he or she had 0.08 percent or more, by weight, of alcohol in the blood at the time of driving, unless he or she files evidence to rebut the presumption. The court states that unless and until evidence is introduced that would support a finding that the presumption does not exist, the statutory presumption that the person was driving over the legal limit remains the finding of fact.

<sup>151</sup> Evidence Code section 500, which states: “Except as otherwise provided by law, a party has the burden of proof as to each fact the existence or nonexistence of which is essential to the claim for relief or defense that he is asserting.” See also, *Simpson Strong-Tie Co., Inc. v. Gore* (2010) 49 Cal.4th 12, 24, where the court recognized that “the general principle of Evidence Code 500 is that a party who seeks a court’s action in his favor bears the burden of persuasion thereon.” This burden of proof is recognized throughout the architecture of the mandates statutes and regulations. Government Code section 17551(a) requires the Commission to hear and decide a claim filed by a local agency or school district that it is entitled to reimbursement under article XIII B, section 6. Section 17551(d) requires the Commission to hear and decide a claim by a local agency or school district that the Controller has incorrectly reduced payments to the local agency or school district. In these claims, the claimant must show that it has incurred increased costs mandated by the state. (Gov. Code, §§ 17514 [defining “costs mandated by the state”], 17560(a) [“A local agency or school district may . . . file an annual reimbursement claim that details the costs actually incurred for that fiscal year.”]; 17561 [providing that the issuance of the Controller’s claiming instructions constitutes a notice of the right of local agencies and school districts to file reimbursement claims based upon the parameters and guidelines, and authorizing the Controller to audit the records of any local agency or school district to “verify the actual amount of the mandated costs.”]; 17558.7(a) [“If the Controller reduces a claim approved by the commission, the claimant may file with the commission an incorrect reduction claim pursuant to regulations adopted by the commission.”]. By statute, only the local agency or school district may bring these claims, and the local entity must present and prove its claim that it is entitled to reimbursement. (See also, Cal. Code Regs., tit. 2, §§ 1185.1, et seq., which requires that the IRC

writ, also require claimants to show the costs incurred to divert solid waste and to perform the administrative activities, and *to report and identify* the costs saved or avoided by diverting solid waste: “Reduced or avoided costs realized from implementation of the community college districts' Integrated Waste Management plans *shall be* identified and offset from this claim as cost savings.”<sup>152</sup> Thus, the claimant has the burden to rebut the statutory presumption and to show, with substantial evidence in the record, that the costs of complying with the mandate exceed any cost savings realized by diverting solid waste.

Accordingly, the Commission finds that the claimant has not filed any evidence to rebut the statutory presumption of cost savings. Therefore, the Controller’s finding of cost savings is correct as a matter of law.

C. For fiscal years 1999-2000, 2000-2001, the second half of fiscal year 2003-2004, and 2004-2005 through 2010-2011, the Controller’s calculation of cost savings is correct as a matter of law, and is not arbitrary, capricious or entirely lacking in evidentiary support.

The Controller correctly determined that FCC, in all fiscal years of the audit period, diverted more solid waste than the amount mandated by the test claim statute. The Controller also correctly determined that Reedley College diverted more solid waste than mandated by the state in the second half of fiscal years 2000-2001 and 2003-2004, and in fiscal years 2004-2005 through 2010-2011.<sup>153</sup>

For those years when the claimant exceeded the mandate, the Controller calculated offsetting cost savings by allocating the diversion to reflect the mandate. Thus, instead of using 100 percent of the tons of waste diverted to calculate offsetting savings, the Controller allocated the diversion by dividing the percentage of solid waste required to be diverted (either 25 or 50 percent) by the actual percentage of solid waste diverted (as reported by the claimant to CIWMB). The allocated diversion was then multiplied by the avoided landfill disposal fee (based on the statewide average fee) to calculate the offsetting savings realized for those years.<sup>154</sup>

$$\begin{array}{rcccl}
 & \text{Allocated Diversion \%} & & & \\
 & \text{Maximum} & & & \text{Avoided} \\
 & \text{Allowable} & & & \text{Landfill} \\
 \text{Offsetting} & \text{Diversion \%} & \times & \text{Tonnage} & \text{Disposal Fee} \\
 \text{Savings} & \text{Actual} & & \text{Diverted} & \text{(per Ton)} \\
 \text{Realized} & \text{Diversion \%} & & & \\
 \hline
 & = & & & 
 \end{array}$$

contain a narrative that describes the alleged incorrect reductions, and be signed under penalty of perjury.)

<sup>152</sup> Exhibit A, IRC, page 99 (Parameters and Guidelines). Emphasis added.

<sup>153</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 92-93.

<sup>154</sup> Exhibit A, IRC, pages 37-38; Exhibit B, Controller’s Late Comments on the IRC, page 21.

This formula works to allocate or *reduce* cost savings to reflect the mandated rate of diversion, and is intended to prevent penalizing the claimant for diverting more solid waste than the amount mandated by law.<sup>155</sup>

For calendar year 2000, Reedley College achieved a 24.7 percent diversion rate, which the Controller correctly determined did *not* reach the 25 percent diversion rate mandated by the state. To calculate cost savings for that year, the Controller multiplied 100 percent of the solid waste diverted by the claimant for the year (390.2 tons) by the avoided landfill disposal fee (based on the statewide average fee of \$36.39), for a total offset of \$14,200.<sup>156</sup>

These formulas are consistent with the statutory presumption of cost savings, as interpreted by the court for this program, and the requirements in the Parameters and Guidelines. The court found that the test claim statutes require that reduced or avoided landfill fees represent savings that must be offset against the cost of diversion. The court stated: “The amount or value of the [offsetting cost] savings may be determined from the calculations of annual solid waste disposal reduction or diversion which California Community Colleges must annually report” to CIWMB.<sup>157</sup> The Parameters and Guidelines state: “Reduced or avoided costs realized from implementation of the community college districts' Integrated Waste Management plans shall be identified and offset from this claim as cost savings . . . .”<sup>158</sup> Thus, the Controller’s formula correctly presumes, based on the record and without any evidence to the contrary, that the percentage of waste diverted results in offsetting cost savings in an amount equal to the avoided landfill fee per ton of waste required to be diverted. In years when the claimant exceeded the mandated diversion rates, the Controller’s formula limits the offset to the allocated rate.

The claimant raises several arguments to assert that the Controller’s calculation of cost savings is incorrect. These arguments are not supported by the law or evidence in the record.

The claimant first alleges that cost savings cannot be realized because the chain of events required by Public Contract Code sections 12167 and 12167.1 did not occur: that savings have to be converted to cash, and amounts in excess of \$2000 per year must be deposited in the state fund and appropriated back by the Legislature to mitigate the costs.<sup>159</sup> It is undisputed that the claimant did not remit to the state any savings realized from the implementation of the IWM plan.<sup>160</sup> However, as indicated above, cost savings are presumed by the statutes and the claimant has not filed evidence to rebut that presumption. Thus, the claimant should have deposited the cost savings into the state’s account as required by the test claim statutes, and the claimant’s failure to comply with the law does not make the Controller’s calculations of cost savings incorrect as a matter of law, or arbitrary or capricious. Since cost savings are presumed by the statutes, the claimant has the burden to show increased costs mandated by the state. As the court

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<sup>155</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 20-21.

<sup>156</sup> Exhibit B, Controller’s Late Comments on the IRC, page 93.

<sup>157</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 84-85 (Ruling on Submitted Matter). Emphasis added.

<sup>158</sup> Exhibit A, IRC, page 63 (Parameters and Guidelines).

<sup>159</sup> Exhibit A, IRC, page 13.

<sup>160</sup> Exhibit B, Controller’s Late Comments on the IRC, page 18.



stated: “[r]eimbursement is not available under section 6 and section 17514 to the extent that a local government or school district is able to provide the mandated program or increased level of service without actually incurring increased costs.”<sup>161</sup>

The claimant next asserts that the Controller’s formula is an underground regulation.<sup>162</sup> The Commission disagrees. Government Code section 11340.5 provides that no state agency shall enforce or attempt to enforce a rule or criterion which is a regulation, as defined in section 11342.600, unless it has been adopted pursuant to the Administrative Procedures Act. As indicated above, however, the formula is consistent with the statutory presumption of cost savings, as interpreted by the court for this program. Interpretations that arise in the course of case-specific adjudication are not regulations.<sup>163</sup>

The claimant also argues that using landfill fees in the calculation of offsetting savings is not relevant because “[t]he District did not claim landfill costs, so there are none to be offset.”<sup>164</sup> The claimant’s interpretation of the cost savings requirement is not correct. The cost of disposing waste at a landfill is not eligible for reimbursement. Reimbursement is authorized to *divert* solid waste from the landfill through source reduction, recycling, and composting activities.<sup>165</sup> As explained by the court:

In complying with the mandated solid waste diversion requirements of Public Resources Code section 42921, California Community Colleges are likely to experience cost savings in the form of reduced or avoided costs of landfill disposal. The reduced or avoided costs are a direct result and an integral part of the mandated IWM plan ....

Such reduction or avoidance of landfill fees and costs resulting from solid waste diversion activities under § 42920 et seq. represent savings which must be offset against the costs of the diversion activities to determine the reimbursable costs of IWM plan implementation -- i.e., the actual increased costs of diversion -- under section 6 and section 17514.<sup>166</sup>

The court also noted that diversion is defined as “activities which reduce or eliminate the amount of solid waste from solid waste disposal.”<sup>167</sup>

In addition, the claimant argues that the formula assumes facts without evidence in the record. For example, the claimant questions the Controller’s assumption that the diversion percentage achieved in 2007 applies equally to subsequent years; the Controller’s use of the 2001 annual

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<sup>161</sup> Exhibit B, Controller’s Late Comments on the IRC, page 84 (Ruling on Submitted Matter).

<sup>162</sup> Exhibit A, IRC, page 14.

<sup>163</sup> *Tidewater Marine Western, Inc. v. Bradshaw* (1996) 14 Cal.4th 557, 571.

<sup>164</sup> Exhibit A, IRC, page 17.

<sup>165</sup> Exhibit A, IRC, page 59 (Parameters and Guidelines).

<sup>166</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 84-85 (Ruling on Submitted Matter).

<sup>167</sup> Public Resources Code section 40124. Exhibit B, Controller’s Late Comments on the IRC, page 84 (Ruling on Submitted Matter).

report of tonnage diverted at FCC to calculate offsetting savings for fiscal years 1999-2000 and 2000-2001; the assumption that all diverted waste would have been disposed in a landfill; and the assumption that the statewide average cost to dispose of waste at a landfill actually applied to the claimant.<sup>168</sup>

The Controller's assumptions, however, are supported by evidence in the record, and the claimant has filed no evidence to rebut them. The Controller applied the diversion percentage achieved in 2007 to subsequent years because CIWMB stopped requiring community college districts to report the actual amount and percent of tonnage diverted in 2008. As the Controller notes, the claimant's diversion program was well-established by 2007, and the claimant's reports of subsequent years reflect continued diversion. The claimant's reports for 2008, 2009, and 2010 show that the claimant's annual per capita disposal rate for both the employee and student populations was below or near the target rate (the only higher disposal rate was in the FCC 2009 report, showing a student population target of 0.10, and 0.14 was achieved; however the employee population target was 1.8, and 1.3 was achieved). Overall, the evidence indicates that the claimant satisfied the requirement to divert 50 percent of its solid waste during these years.<sup>169</sup>

In addition, the claimant's 2008, 2009, and 2010 reports continue to show that the claimant had solid waste reduction programs in place. In its 2008 report, FCC listed the following programs: Business Source Reduction, Material Exchange, Salvage Yards, Beverage Containers, Cardboard, Office Paper (white), Office Paper (mixed), Scrap Metal, Xeriscaping/grasscycling, White/brown Goods, Scrap Metal, Wood Waste, and as "planned for expansion" Food Waste Composting.<sup>170</sup> In its 2009 report, FCC stated "There are no major types of waste material that we are not diverting"<sup>171</sup> and "The amount of tonnage may be up this year due to the increase of construction and clean-up we have to do."<sup>172</sup> The 2009 report also listed Food Waste Composting as an existing program, whereas in 2008 it was listed as a program FCC planned to

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<sup>168</sup> Exhibit A, IRC, pages 15-16.

<sup>169</sup> Exhibit B, Controller's Late Comments on the IRC, pages 47 (FCC 2008 report, showing an employee population target of 1.8, and 1.8 was achieved; and a student population target of 0.10, and 0.08 was achieved); 50 (FCC 2009 report, showing an employee population target of 1.8, and 1.3 was achieved; and a student population target of 0.10, and 0.14 was achieved); and 53 (FCC 2010 report, showing an employee population target of 1.8, and 0.80 was achieved; and a student population target of 0.10, and 0.09 was achieved), 70 (Reedley College 2008 report, showing an employee population target of 14.2, and 8.8 was achieved; and a student population target of 0.4, and 0.26 was achieved); 72 (Reedley College 2009 report, showing an employee population target of 14.2, and 8.8 was achieved; and a student population target of 0.40, and 0.26 was achieved); 75 (Reedley College 2010 report, showing an employee population target of 14.2, and 9.7 was achieved; and a student population target of 0.40, and 0.27 was achieved).

<sup>170</sup> Exhibit B, Controller's Late Comments on the IRC, page 49.

<sup>171</sup> Exhibit B, Controller's Late Comments on the IRC, page 51.

<sup>172</sup> Exhibit B, Controller's Late Comments on the IRC, page 52.

begin or expand.<sup>173</sup> The FCC 2010 report also states that “We do not have any major types of waste materials that we are not diverting.”<sup>174</sup>

Similarly, the Reedley College 2008 report states, “One of our Industrial Trades Programs now reports their recycling of tractor and farm equipments [sic] metals.” It also states, “In the source reduction area the use of electronic media also shows growth, this was identified in the addition of forms and catalogs available on our website” and “Recycling, the participation of the campus student body in our program continues to increased [sic] by the number and type of containers used.”<sup>175</sup> Also, “Salvage Yards” was listed as a program that is planned or expanding.<sup>176</sup> The Reedley College 2009 report states, “Our Food Services Department is currently eliminating plastic and paper plates and replacing them with reusable plates. Though out [sic] our campus we have started a program that all food containers will be disposed in designated receptacles. This will greatly decrease the cross contamination of recyclable trash in the same areas.”<sup>177</sup> According to the Reedley College 2010 report, “The current program has increased its effectiveness by allowing the combining of all office and classroom recyclables in to one collection container. . . . Along with this we have greatly decreased the use of plastic trash bags and labor involved in the removing and reinstalling them.”<sup>178</sup> Thus, there is evidence in the record that for 2008 through 2010, the claimant met or exceeded the diversion rates reported in 2007.

Evidence in the record also supports the Controller’s use of FCC’s 2001 annual report of tonnage diverted to calculate offsetting savings for FCC for fiscal years 1999-2000 and 2000-2001. The Controller used the 2001 data because FCC’s 2000 report stated “Annual Report has not been finalized.”<sup>179</sup> However, the record shows that the claimant diverted solid waste in fiscal years 1999-2000 and 2000-2001. Salary and benefit costs were claimed for custodians and gardeners to perform diversion activities in fiscal years 1999-2000 and FY 2000-01.<sup>180</sup> Moreover, FCC’s 2001 annual report states “we have increased recycling of beverage containers and the expansion of recycling of paper in the classrooms,”<sup>181</sup> indicating that FCC had been diverting waste prior to the 2001 annual report. And as the Controller stated in the audit report, the claimant did not provide documentation supporting a different “diversion percentage.”<sup>182</sup>

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<sup>173</sup> Exhibit B, Controller’s Late Comments on the IRC, pages 52 and 49.

<sup>174</sup> Exhibit B, Controller’s Late Comments on the IRC, page 54.

<sup>175</sup> Exhibit B, Controller’s Late Comments on the IRC, page 71.

<sup>176</sup> Exhibit B, Controller’s Late Comments on the IRC, page 71.

<sup>177</sup> Exhibit B, Controller’s Late Comments on the IRC, page 73.

<sup>178</sup> Exhibit B, Controller’s Late Comments on the IRC, page 76.

<sup>179</sup> Exhibit B, Controller’s Late Comments on the IRC, page 34 (FCC 2000 Annual Report).

<sup>180</sup> Exhibit A, IRC, pages 210-213 (1999-2000 Reimbursement Claim, \$28,356 claimed), 215-218 (2000-2001 Reimbursement Claim, \$25,358 claimed). Exhibit B, Controller’s Late Comments on the IRC, page 20.

<sup>181</sup> Exhibit B, Controller’s Late Comments on the IRC, page 36 (FCC 2001 Annual Report).

<sup>182</sup> Exhibit A, IRC, page 38 (Audit Report).

The Controller obtained the statewide average cost for landfill disposal fees from CIWMB, which was based on private surveys of a large percentage of landfills across California.<sup>183</sup> The Controller's audit report indicates that the claimant did not provide documentation to support a different disposal fee.<sup>184</sup> In addition, the Controller states:

The district did not provide any information, such as its contract with or invoices received from its commercial waste hauler to support either the landfill fees actually incurred by the district or to confirm that the statewide average landfill fee was greater than the actual landfill fees incurred by the district.<sup>185</sup>

On these audit issues, the Commission may not reweigh the evidence or substitute its judgment for that of the Controller. The Commission must only ensure that the Controller's decision is not arbitrary, capricious, or entirely lacking in evidentiary support, and adequately considered all relevant factors.<sup>186</sup> There is no evidence that the Controller's assumptions are wrong or arbitrary or capricious.

The claimant also points to the Controller's audits of other community college districts, arguing that the costs allowed by the Controller in those cases vary and are arbitrary.<sup>187</sup> The Controller's audits of other community college district reimbursement claims are not relevant to the Controller's audit here. Each audit depends on the documentation and evidence provided by the claimant to show increased costs mandated by the state.

Accordingly, the Controller's calculations of cost savings for fiscal years 1999-2000, 2000-2001, the second half of fiscal year 2003-2004, and fiscal years 2004-2005 through 2010-2011, are correct as a matter of law, and are not arbitrary, capricious, or entirely lacking in evidentiary support.

D. The Controller's calculation of cost savings for the first half of fiscal year 2003-2004 for both colleges is incorrect as a matter of law and is arbitrary, capricious, and entirely lacking in evidentiary support.

For the first half of fiscal year 2003-2004, Reedley College achieved an actual diversion rate of 26.11 percent. The Controller found that Reedley College did not achieve the mandated "50 percent" diversion rate in the first half of fiscal year 2003-2004, even though only 25 percent was required during calendar year 2003. Thus, the Controller did not allocate the diversion to calculate cost savings, but used 100 percent of the solid waste diverted to calculate offsetting savings.<sup>188</sup> In addition, FCC achieved an actual diversion rate of 53.59 percent in the first half of

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<sup>183</sup> Exhibit B, Controller's Late Comments on the IRC, page 23.

<sup>184</sup> Exhibit A, IRC, page 39.

<sup>185</sup> Exhibit B, Controller's Late Comments on the IRC, page 23.

<sup>186</sup> *American Bd. of Cosmetic Surgery, Inc. v. Medical Bd. of California* (2008) 162 Cal.App.4th 534, 547-548.

<sup>187</sup> Exhibit A, IRC, pages 17-18.

<sup>188</sup> Exhibit A, IRC, page 35, footnote 2 (Final Audit Report); Exhibit B, Controller's Late Comments on the IRC, page 93.

fiscal year 2003-2004.<sup>189</sup> The Controller allocated the diversion rate for FCC, as it did for the other fiscal years, because the claimant exceeded the mandate, but used a 50 percent rate to calculate the allocated diversion rate, when the test claim statutes required only 25 percent diversion in calendar year 2003.<sup>190</sup> The requirement to divert 50 percent of all solid waste did not become operative until January 1, 2004.<sup>191</sup>

As indicated in the Parameters and Guidelines, the mandate is to divert at least 25 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2002, and at least 50 percent of all solid waste from landfill disposal or transformation facilities by January 1, 2004, through source reduction, recycling, and composting activities.<sup>192</sup> Thus, from July 1, 2003, through December 31, 2003, community college districts were mandated to achieve diversion levels of only 25 percent. The Controller's comments admit that, "as there is no state mandate to exceed solid waste diversion for amounts in excess of 25% for calendar years 2000 through 2003 or 50% for calendar year 2004 and later, there is no basis for calculating offsetting savings realized for actual diversion percentages that exceed the levels set by statute."<sup>193</sup>

However, the Controller's calculation of cost savings, which applied a 50 percent diversion rate to the period from July 1, 2003, through December 31, 2003, instead of the mandated 25 percent diversion rate, is incorrect as a matter of law.<sup>194</sup> In this respect, the Controller's finding, that Reedley College's 26.11 percent diversion of solid waste for the first half of fiscal year 2003-2004 did not achieve the mandated diversion rate, is incorrect as a matter of law. And the Controller's calculation of cost savings for FCC incorrectly applied a 50 percent diversion level to calculate the allocated diversion rate, instead of the mandated 25 percent diversion level.

Moreover, the Controller's calculation of offsetting savings for both colleges, which did not reduce cost savings by allocating the diversion rate to reflect the 25 percent mandated diversion rate as it did for other years when the claimant exceeded the mandate, is arbitrary, capricious, and entirely lacking in evidentiary support. As indicated above, the Controller's formula for offsetting cost savings for years in which the claimant exceeded the diversion mandate, which allocates the diversion based on the mandated rate, is consistent with the test claim statutes and the court's decision on this program. That allocated rate is the percentage of solid waste required to be diverted (25 percent in the first half of fiscal year 2003-2004) divided by the actual percentage of solid waste diverted (as reported by the claimant to CIWMB). The resulting quotient is then multiplied by the tons of solid waste diverted (as annually reported by the

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<sup>189</sup> Exhibit B, Controller's Late Comments on the IRC, pages 92-93.

<sup>190</sup> Exhibit B, Controller's Late Comments on the IRC, pages 92-93.

<sup>191</sup> Public Resources Code sections 42921; Exhibit A, IRC, page 95 (Parameters and Guidelines).

<sup>192</sup> Exhibit A, IRC, page 95 (Parameters and Guidelines). This is based on Public Resources Code sections 42921.

<sup>193</sup> Exhibit B, Controller's Late Comments on the IRC, page 21.

<sup>194</sup> Exhibit B, Controller's Late Comments on the IRC, pages 92-93.

claimant to CIWMB), multiplied by the avoided landfill disposal fee (based on the statewide average fee).<sup>195</sup>

Applying the Controller's formula (for years when the claimant exceeded the diversion mandate) to the first half of fiscal year 2003-2004, using the 25 percent diversion requirement to allocate the tons of waste diverted, results in offsetting costs savings of:

- \$7,166 for Reedley College (25 percent divided by 26.11 percent, multiplied by 203.2 tons diverted multiplied by the statewide average landfill disposal fee of \$36.83) rather than \$7,484 as calculated by the Controller using a 100 percent of the solid waste diverted; and
- \$3,039 for FCC (25 percent divided by 53.59 percent, multiplied by 176.9 tons diverted multiplied by the statewide average landfill disposal fee of \$36.83) rather than the \$6,079 calculated by the Controller using a 50 percent diversion rate.

Thus, the difference between the Controller's calculated reduction (\$13,563) and the amount that should have been reduced (\$10,205) is \$3,358, which has been incorrectly reduced.<sup>196</sup>

Accordingly, the Commission finds that the reduction of costs for the first half of fiscal year 2004-2004 is incorrect as a matter of law, and is arbitrary, capricious, and entirely lacking in evidentiary support.

## **V. Conclusion**

Based on the foregoing, the Commission concludes that the Controller's reduction of costs claimed for fiscal years 1999-2000, 2000-2001, the second half of fiscal year 2003-2004, and fiscal years 2004-2005 through 2010-2011 is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support.

The Commission further concludes that the Controller's reduction of costs claimed for the first half of fiscal year 2003-2004 is incorrect as a matter of law, and is arbitrary, capricious, and entirely lacking in evidentiary support. The law and the record support offsetting cost savings for the first half of fiscal year 2003-2004 of \$10,205, rather than \$13,563, and the difference of \$3,358 has been incorrectly reduced and should be reinstated to the claimant.

Accordingly, the Commission partially approves this IRC and requests, pursuant to Government Code section 17551(d) and section 1185.9 of the Commission's regulations, that the Controller reinstate \$3,358 to the claimant.

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<sup>195</sup> Exhibit A, IRC, pages 34 - 35 (Final Audit Report). Exhibit B, Controller's Late Comments on the IRC, page 77.

<sup>196</sup> Exhibit B, Controller's Late Comments on the IRC, pages 37 (FCC 2003 Annual Report), 60 (Reedley 2003 Annual Report) and 92-93.

**DECLARATION OF SERVICE BY EMAIL**

I, the undersigned, declare as follows:

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

On August 25, 2017, I served the:

- **Draft Proposed Decision, Schedule for Comments, and Notice of Hearing issued August 25, 2017**

*Integrated Waste Management*, 14-0007-I-05

Public Resources Code Sections 40418, 40196.3, 42920-42928;

Public Contract Code Sections 12167 and 12167.1

Statutes 1992, Chapter 1116 (AB 3521); Statutes 1999, Chapter 764 (AB 75)

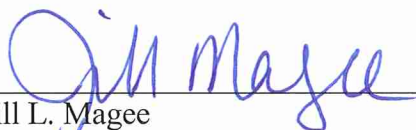
State Agency Model Integrated Waste Management Plan (February 2000)

Fiscal Years: 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, and 2010-2011

State Center Community College District, Claimant

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

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on August 25, 2017 at Sacramento, California.



Jill L. Magee

Commission on State Mandates

980 Ninth Street, Suite 300

Sacramento, CA 95814

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# COMMISSION ON STATE MANDATES

## Mailing List

**Last Updated:** 3/22/17

**Claim Number:** 14-0007-I-05

**Matter:** Integrated Waste Management

**Claimant:** State Center Community College District

### TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

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**BETTY T. YEE**  
California State Controller



August 29, 2017

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

**Re: Draft Proposed Decision**

Incorrect Reduction Claim

*Integrated Waste Management*, 14-0007-I-05

Public Resources Code Sections 40418, 40196.3, 42920-42928

Public Contract Code Sections 12167 and 12167.1

Statutes of 1992, Chapter 1116 (AB 3521); Statutes of 1999, Chapter 764 (AB 75)

State Agency Model Integrated Waste Management Plan (February 2000)

Fiscal Years: 1999-2000, 2000-2001, 2003-2004, 2004-2005, 2005-2006, 2006-2007,  
2007-2008, 2008-2009, 2009-2010, and 2010-2011

State Center Community College District, Claimant

Dear Ms. Halsey:

The State Controller's Office (SCO) has reviewed the Commission on State Mandates' (Commission) draft proposed decision dated August 25, 2017, for the above incorrect reduction claim filed by State Center Community College District. This letter constitutes the SCO's response to the Commission's draft proposed decision.

We agree with the Commission's conclusion and recommendation to support our reduction of costs claimed for fiscal years (FY) 1999-2000, 2000-2001, the second half of FY 2003-04, and FY 2004-05 through FY 2010-2011. In addition, we agree to reinstate \$3,358 for the first half of FY 2003-04, which the Commission concluded was incorrect as a matter of law.

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

Sincerely,

JIM L. SPANO, CPA, Assistant Division Chief  
Division of Audits

JS/kw

18380

**DECLARATION OF SERVICE BY EMAIL**

I, the undersigned, declare as follows:

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

On September 1, 2017, I served the:

- **Controller's Comments on the Draft Proposed Decision filed September 1, 2017**

*Integrated Waste Management*, 14-0007-I-05

Public Resources Code Sections 40418, 40196.3, 42920-42928;

Public Contract Code Sections 12167 and 12167.1

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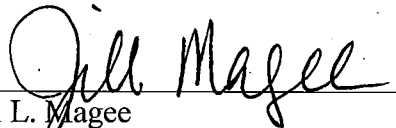
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State Center Community College District, Claimant

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

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on September 1, 2017 at Sacramento, California.



Jill L. Magee

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# COMMISSION ON STATE MANDATES

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**Claim Number:** 14-0007-I-05

**Matter:** Integrated Waste Management

**Claimant:** State Center Community College District

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**MINUTES**

**COMMISSION ON STATE MANDATES**

State Capitol, Room 447  
Sacramento, California  
September 26, 2008

- Present:     Member Tom Sheehy, Chairperson  
                  Representative of the Director of the Department of Finance  
                  Member Francisco Lujano, Vice Chairperson  
                  Representative of the State Treasurer  
                  Member Richard Chivaro  
                  Representative of the State Controller  
                  Member Anne Schmidt  
                  Representative of the Director of the Office of Planning and Research  
                  Member J. Steven Worthley  
                  County Supervisor  
                  Member Sarah Olsen  
                  Public Member
- Absent:     Member Paul Glaab  
                  City Council Member

**CALL TO ORDER AND ROLL CALL**

Chairperson Sheehy called the meeting to order at 9:38 a.m.

**APPROVAL OF MINUTES**

Item 1     August 1, 2008

The August 1, 2008 hearing minutes were adopted by a vote of 5-0. Ms. Schmidt abstained.

**PROPOSED CONSENT CALENDAR**

INFORMATIONAL HEARING PURSUANT TO CALIFORNIA CODE OF REGULATIONS,  
TITLE 2, CHAPTER 2.5, ARTICLE 8 (ACTION)

**A. PROPOSED PARAMETERS AND GUIDELINES**

Item 7     *Reporting Improper Governmental Activities*, 02-TC-24  
                  Education Code Section 87164  
                  Statutes 2001, Chapter 416, Statutes 2002, Chapter 81  
                  Santa Monica Community College District, Claimant



Mr. Petersen responded that they would not be compelled to do the state portion if they were not in the DSPS program. Ms. Olsen then asked where is the practical compulsion. Mr. Petersen responded that they still have to continue performing the federal mandate which has always been funded by the state.

Ms. Shelton added that it was funded by the state under the state's vocational rehabilitation program, and before enactment of DSPS, students were receiving overlapping services. Therefore, the Department of Rehabilitation and the Chancellor's Office s came to agreement that the colleges would perform the services and vocational rehabilitation would not. There was no funding in that agreement.

Member Olsen stated that she was trying to clarify the practical compulsion allegation and whether it was based on the parents of DSPS students going to court if a district did not comply with DSPS. Mr. Petersen clarified that the practical compulsion is that school districts still have to continue the federal mandate, which was previously funded by the state. If a district stops participating in the state DSPS program, there would be no funding for providing any service.

Chairperson Sheehy asked Mr. Petersen if he wished to discuss the next issue on instructional materials. Mr. Petersen stated that he would not, because the Commission must decide the threshold issue first.

Member Chivaro moved to adopt the staff recommendations. With a second by Member Lujano, the Commission adopted the staff recommendation to deny the test claim by a vote of 6-0.

#### B. PROPOSED STATEMENT OF DECISION

- Item 4     *Disabled Student Programs and Services, (02-TC-22)*  
          See Item 3

Ms. Shelton also presented this item. She stated that the sole issue before the Commission was whether the proposed Statement of Decision accurately reflected the Commission's decision on the *Disabled Student Programs and Services* test claim. Staff recommended that the Commission adopt the proposed Statement of Decision including minor changes.

Member Chivaro made a motion to adopt the proposed Statement of Decision. With a second by Member Lujano, the Statement of Decision was adopted by a vote of 6-0.

Ms. Higashi noted that Items 5 and 6 were postponed at the request of the claimant.

#### **INFORMATIONAL HEARING PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, CHAPTER 2.5, ARTICLE 8 (ACTION)**

##### PROPOSED PARAMENTERS AND GUIDELINES

- Item 8     *Integrated Waste Management Board, (00-TC-07)*  
          Public Resources Code Sections 40148, 40196.3, 42920-42928, Public Contract Code Sections 12167 and 12167.1, Statutes 1999, Chapter 764, Statutes 1992, Chapter 1116, Manuals of the California Integrated Waste Management Board  
          Santa Monica and South Lake Tahoe Community College Districts, Co-Claimants

Camille Shelton, Chief Legal Counsel, presented this item. Ms. Shelton explained that this item is on remand from the Sacramento County Superior Court on a judgment and writ. The *Integrated Waste Management Board* program requires community college districts to develop and adopt waste management plans to divert solid waste from landfills and to submit annual

reports to the Integrated Waste Management Board. The writ issued by the court requires the Commission to amend the parameters and guidelines for this program in two respects: It requires the Commission to amend the offsetting revenue section to require claimants to identify and offset from their reimbursement claims, all revenue generated as a result of implementing their waste plans, without regard to the limitations described in the Public Contract Code.

The second amendment requires that the Commission add an offsetting cost savings section to the parameters and guidelines to require claimants to identify and offset from their reimbursement claims cost savings realized as a result of implementing their plans, consistent with the limitations provided in the Public Contract Code.

Ms. Shelton continued that under the Public Contract Code provisions, community colleges are required to deposit all cost savings that result from implementing their waste plans in the Integrated Waste Management account. Upon appropriation by the Legislature, the funds may be expended by the Integrated Waste Management Board for the purpose of offsetting plan costs. Subject to Board approval, cost savings by a community college that do not exceed \$2,000 annually, are appropriated for expenditure by the community college for the purpose of offsetting their costs. Cost savings exceeding \$2,000 annually may be available for expenditure by the community college only when appropriated by the Legislature. The proposed amendments contain these changes required by the court.

Ms. Shelton added that the Integrated Waste Management Board is requesting that the Commission add more language to the offsetting cost-savings section to require community college districts to: (1) provide information with their reimbursement claims identifying all cost savings resulting from the plans, including costs savings that exceed \$2,000; and (2) to analyze categories of potential cost savings to determine what to include in their claims.

Staff finds that the Board's request for additional language goes beyond the scope of the court's judgment and writ. Therefore, staff recommends that the Commission deny the Board's request and adopt the proposed amendments to the parameters and guidelines as recommended by staff.

Parties were represented as follows: Keith Petersen, an interested party having represented the claimant many years ago; Elliot Block representing the California Integrated Waste Management Board, and Susan Geanacou representing the Department of Finance.

Mr. Block stated that he disagreed with the staff analysis. The Board argues that staff is viewing the court's decision more narrowly than is necessary. The reimbursement claims are difficult to review. The Board is requesting the language to provide additional guidance to help the claims be formulated in a way that they are actually reviewable and usable. He noted that the Board has a pending request to amend the parameters and guidelines to add these additional reporting requirements, and that the staff analysis suggests that the additional reporting requirements could be added prospectively, but not retroactively. He stated that if the parameters and guidelines could have been originally drafted to include this requirement, why can't the parameters and guidelines be amended now to include this guidance.

Chairperson Sheehy asked Mr. Block to clarify the comment that the claims that are being submitted are difficult to review.

Mr. Block reiterated that the claims were incomplete and difficult to review, and pointed out that even Commission staff sought help from the Board when they initially reviewed the claims because there were portions of the claims filed that did not make sense and did not seem to align with the original parameter and guidelines.

Ms. Higashi noted that when the Commission adopted the statewide cost estimate, it requested a summary compilation of the amounts claimed by the community college districts filing timely reimbursement claims with the State Controller's Office. The State Controller's Office report identified the claimant by name, amount claimed and amounts offset and was the basis for the Commission's preparation of the statewide cost estimate.

Ms. Geanacou stated that the Department of Finance, as a co-petitioner before the court, has followed this matter closely. She observed that the cost savings information required in the claims will clearly appear as an offset for reimbursement and is already available in two sources of information if the test claim statutes are complied with.

Ms. Shelton stated that the Commission's jurisdiction in this matter is really limited to the court's writ and the writ directed two specific changes to the parameters and guidelines. She noted that the court found that the information to support cost savings was already provided to the Board in their existing annual report. The court did not indicate that the Board needed additional information. She added that every year, the Board receives a report that describes the calculations of annual disposal reduction and information on changes in waste generated or disposed. Also, this issue can be addressed in the Board's pending request to amend the parameters and guidelines.

Member Worthley moved to adopt the staff recommendations. With a second by member Olsen, the staff recommendation to approve the proposed amendments to the parameters and guidelines was adopted by a vote of 6-0.

## **STAFF REPORTS**

Item 12 Chief Legal Counsel's Report (info)

No report was made.

Item 13 Executive Director's Report (info)

Ms. Higashi introduced our newest analyst Heidi Palchik.

Ms. Higashi also recognized staff member Lorenzo Duran who recently participated in a state agency sponsored fundraiser for the California State Employees Charitable Campaign. He successfully dunked our Commission Chair, Mr. Genest, in the dunk tank.

Ms. Higashi reported the adopted State Budget did not make any new changes to the Commission's budget. Also, the Commission filed the annual workload report with the Director of Finance.

Ms. Higashi proposed changing the November 6th hearing to an alternate date in December. It was decided to find an agreeable date and report it back to the Commission. She also noted that work is continuing on the proposal for delivery of agenda materials.

Ms. Higashi reported that Anne Sheehan, Chief Deputy Director of the Department of Finance, was appointed Director of Corporate Governance, CALSTRS.

Ms. Higashi also noted that the Commission will probably be exploring a hiring freeze exemption.

## **PUBLIC COMMENT**

Chairperson Sheehy introduced Deborah Borzelleri and acknowledged her upcoming retirement. On behalf of the Commission, Chairperson Sheehy presented Ms. Borzelleri with a Resolution recognizing her retirement as a state employee for 35 years and her many accomplishments.

**ITEM 9**  
**FINAL STAFF ANALYSIS**  
**PROPOSED AMENDMENTS TO PARAMETERS AND**  
**GUIDELINES**

Public Resources Code Sections 40148, 40196.3, 42920-42928  
Public Contract Code Sections 12167 and 12167.1

Statutes 1999, Chapter 764 (A.B. 75)  
Statutes 1992, Chapter 1116 (A.B. 3521)

State Agency Model Integrated Waste Management Plan (February 2000)

*Integrated Waste Management*  
05-PGA-16

Integrated Waste Management Board, Requestor

---

**EXECUTIVE SUMMARY**

**Background**

This is a request filed by the Integrated Waste Management Board pursuant to Government Code section 17557, subdivision (d), to amend the original parameters and guidelines for the *Integrated Waste Management* program. If the Commission approves the Board's request, the amendments would be effective for costs incurred beginning July 1, 2005.

The Board requests that the parameters and guidelines be amended in Section VIII, Offsetting Cost Savings, to include language requiring community college districts to analyze avoided disposal costs and other offsetting savings relating to staffing, overhead, materials, storage, etc., as a result of the test claim statutes when filing reimbursement claims. A similar request was made by the Board at the Commission's September 26, 2008 hearing, when the Commission amended the parameters and guidelines pursuant to the court's writ and judgment in *State of California, Department of Finance, California Integrated Waste Management Board v. Commission on State Mandates* (Sacramento County Superior Court, Case No. 07CS00355). The Commission denied the Board's request and found that the request was not consistent with the statutes or the court's judgment and writ. (See Exhibit G.)

The Board also requests that the following additional language be included in Section IX, State Controller's Claiming Instructions:

The claiming instructions shall include sufficient instructions to ensure that only additional expenses related to this mandate are included and that any offsetting savings, as described above, are not included.

The Board contends that the proposed amendments should be made “to more accurately capture the information necessary to provide accurate claims and a Statewide Cost Estimates [sic].”

The request to amend the parameters and guidelines was issued for comment on April 10, 2006. No comments were received. A draft staff analysis recommending that the Commission deny the Board’s request was issued on December 8, 2008. On December 30, 2008, the Integrated Waste Management Board filed comments on the draft. No other comments have been received.

### **Staff Analysis**

Staff recommends that the Commission deny the request to amend the parameters and guidelines to include language requiring community colleges to specifically analyze the cost savings information identified by the Board when filing reimbursement claims for the following reasons:

- There is no requirement in statute or Board regulations that community college districts perform the analysis specified by the Board.
- The Commission does not have the authority to impose additional requirements on community college districts regarding this program.
- The current offsetting cost savings paragraph identifies the offsetting savings consistent with the language of Public Resources Code section 42925, subdivision (a), and Public Contract Code sections 12167 and 12167.1, and with the court’s judgment and writ in *State of California, Department of Finance, California Integrated Waste Management Board v. Commission on State Mandates, et al.* (Sacramento County Superior Court, Case No. 07CS00355).
- Information on cost savings is already available to the Board in the community colleges’ annual reports submitted to the Board pursuant to Public Resources Code section 42926, subdivision (b)(1).

Staff further recommends that the Commission deny the proposed language to amend Section IX of the parameters and guidelines to require that the claiming instructions include sufficient instructions to ensure that only additional expenses related to this mandate are included and that any offsetting savings are not included, for the following reasons:

- The requirement that only increased costs be claimed is already provided in the boilerplate language of Section IV of the parameters and guidelines.
- The offsetting cost savings are adequately described in Section VIII of the parameters and guidelines, the first sentence of which states that “[r]educed or avoided costs realized from implementation of the community college districts’ Integrated Waste Management plans *shall be identified and offset from this claim* as cost savings, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1.” (Emphasis added.)

- The claiming instructions prepared by the State’s Controller’s Office are required to be derived from the test claim decision and the adopted parameters and guidelines. (Gov. Code, § 17558, subd. (b).)

**Conclusion and Staff Recommendation**

Staff recommends that the Commission deny the request of the Integrated Waste Management Board to amend the original parameters and guidelines.

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## STAFF ANALYSIS

### Requestor

Integrated Waste Management Board

### Chronology

- 03/25/04 Statement of Decision adopted by Commission
- 03/30/05 Parameters and guidelines adopted by Commission
- 03/30/06 Integrated Waste Management Board files comments to the proposed statewide cost estimate and requests that the Commission amend the parameters and guidelines
- 04/10/06 Integrated Waste Management Board's request to amend the parameters and guidelines is issued for comment
- 10/26/06 Commission adopts statewide cost estimate
- 03/--/07 Integrated Waste Management Board and Department of Finance file petition for writ of mandate challenging the Statement of Decision and parameters and guidelines (Sacramento County Superior Court, Case No. 07CS00355)
- 06/30/08 Sacramento County Superior Court issues judgment and writ of mandate in Case No. 07CS00355 ordering Commission to amend the parameters and guidelines with respect to offsetting revenue and cost savings
- 09/26/08 Commission amends parameters and guidelines in compliance with the court's writ of mandate
- 12/08/08 Draft Staff Analysis issued on the request to amend the parameters and guidelines by the Integrated Waste Management Board
- 12/30/08 Integrated Waste Management Board files comments on the draft staff analysis

### Background

#### *The Board's Request to Amend the Parameters and Guidelines*

This is a request filed by the Integrated Waste Management Board (hereafter "the Board") pursuant to Government Code section 17557, subdivision (d), to amend the parameters and guidelines for the *Integrated Waste Management* program.<sup>1</sup> If the Commission approves the Board's request, the amendments would be effective for costs incurred beginning July 1, 2005.

The Board requests that the parameters and guidelines be amended in Section VIII, Offsetting Cost Savings,<sup>2</sup> to include the following language requiring community college

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<sup>1</sup> Exhibit A.

<sup>2</sup> Exhibit B, parameters and guidelines.



districts to analyze avoided disposal costs and other offsetting savings as a result of the test claim statutes when filing reimbursement claims.

Only additional expenses related to this mandate may be included in a claim and offsetting savings to the same program experienced as a result of this same mandate shall be subtracted from the amount of the claim. Claimants shall analyze the following items in determining what to include in their claims:

Staffing:

Through the implementation of the program being claimed a reduction in staff hours (PYs) can be achieved. In order to determine any cost increases or decreases the claimant will need to evaluate the total staff required to implement the program being claimed prior to AB 75 and the staff needed to implement and operate the current program. All values identified must be calculated based on a conversion to the dollar values for the particular year being claimed.

Overhead:

Costs incurred for overhead, such as benefits, for the PYs identified under “staffing.”

Materials:

Through the implementation of the program being claimed a reduction or elimination of supplies and materials may have been achieved. This could include, and is not limited to: White office paper, mixed office paper, cardboard, printed catalogs, postage, envelopes, and other office supplies.

Storage:

Through the implementation of this program being claimed a reduction or elimination of storage of supplies and materials may have been achieved. The elimination of storage is a cost savings that must be allotted to offset any costs associated to the implementation of the identified program(s) being claimed by the claimant.

Transportation Costs:

The transportation of supplies and waste materials has a cost. The claimant should determine how many trips staff was making to purchase, pick-up and deliver supplies needed for the program being claimed and the current level of the activity.

Claimant should also consider the cost incurred or avoided for the collection of waste materials associated with the activity being claimed.

Equipment:

Any costs associated with new/replacement equipment, including any costs avoided for maintenance of obsolete equipment.

Sale of Commodities:

This would include any and all revenues generated due to the sale of materials collected through the implementation of the specific program being claimed. This could include, but is not limited to white office paper, mixed office paper, cardboard, beverage containers, ferrous and nonferrous metals, glass, plastic, re-sale of used text books, compost, mulch, and firewood.

Avoided disposal fees:

Through the implementation of the AB 75 program(s) a facility will see a direct reduction in the amount of materials that would have been placed into a landfill or a trash dumpster on the campus. These direct savings are to be credited to the program based on today's disposal costs.

Sale of obsolete equipment:

Proceeds of any sales of obsolete equipment.

Other revenue related to program:

Dependent on the particular program or activity being submitted to the Commission for reimbursement several other factors can and will generate a cost savings.

The Board also requests that the following additional language be included in Section IX, State Controller's Claiming Instructions:

The claiming instructions shall include sufficient instructions to ensure that only additional expenses related to this mandate are included and that any offsetting savings, as described above, are not included.

The Board contends that the proposed amendments should be made "to more accurately capture the information necessary to provide accurate claims and a Statewide Cost Estimates [sic]."

On December 30, 2008, the Board filed comments on the draft staff analysis, stating that "since the Commission has already rejected our arguments, rather than reiterate them, we are simply incorporating by reference our earlier comment letter, dated August 26, 2008, and asking that they be included in the record, so that the record will reflect our arguments in the matter."<sup>3</sup> The Board's August 26, 2008 letter is in the record under Exhibit G, (Item 8, September 26, 2008 Commission Hearing, Adoption of Amendments to Parameters and Guidelines, on Remand from the Sacramento County Superior Court in Case No. 07CS00355) on page 385, and is summarized in the history and analysis below.

The Board further states the following:

In closing, I just want to note that the Board's position is that the Commission views its authority too narrowly in this matter and the result will be that it will receive a number of inaccurate claims that it and other

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<sup>3</sup> Exhibit H.

state agencies will have to spend unnecessary time and resources reviewing. Furthermore, if those claims are not completely reviewed and/or audited, the State may end up paying for claims that it should not.

### ***History of the Claim***

The *Integrated Waste Management* program requires community college districts to develop and adopt, in consultation with the Integrated Waste Management Board, an integrated waste management plan. Each community college is required to divert from landfills at least 25 percent of generated solid waste by January 1, 2002, and at least 50 percent by January 1, 2004. Community college districts are also required to submit annual reports to the Integrated Waste Management Board describing the calculations of annual disposal reduction and information on changes in waste generated or disposed for the year. The Commission approved the test claim and adopted the Statement of Decision on March 25, 2004.<sup>4</sup>

Parameters and guidelines were adopted in March 2005.<sup>5</sup> In comments to the proposed parameters and guidelines, the Integrated Waste Management Board argued that the program would inevitably result in cost savings as a result of avoided disposal costs and recommended that the parameters and guidelines require information on cost savings in any claim submitted to the State Controller's Office. Similar to the Board's request in this item, the Board proposed that the Commission adopt the following costs/savings worksheet to be attached to the parameters and guidelines "as guidance for collecting relevant information."

#### Expenses

- *Staffing.* Through the implementation of the program being claimed a reduction in staff hours (PYs) can be achieved. In order to determine any cost increases or decreases the claimants will need to evaluate the total staff required to implement the program being claimed prior to AB 75 and the staff needed to implement and operate the current program. All values identified must be calculated based on a conversion to the dollar values for the particular year being claimed.
- *Overhead.* Costs incurred for overhead, such as benefits, for the PYs identified under "staffing."
- *Materials.* Through the implementation of the program being claimed a reduction or elimination of supplies and materials may have been achieved. This could include, and is not limited to: white office paper, mixed office paper, cardboard, printed catalogs, postage, envelopes, and other office supplies.
- *Storage.* Through the implementation of the program being claimed a reduction or elimination of storage of supplies and materials may have been achieved. The elimination of storage is a cost savings that must be

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<sup>4</sup> Exhibit C.

<sup>5</sup> Exhibit D.

allocated to offset any costs associated to the implementation of the identified program(s) being claimed by the claimants.

- *Transportation costs:* The transportation of supplies and waste materials has a cost. The claimants should determine how many trips staff was making to purchase, pick-up and deliver supplies needed for the program being claimed and the current level of the activity. It should be calculated based on a conversion of the previous programs' activities being converted to the dollar values for the particular year for which a claim is being submitted.

Claimants should also consider the cost incurred for the collection of waste materials associated with the activity being claimed.

- *Equipment.* Any costs associated with new/replacement equipment, including any costs avoided for maintenance of obsolete equipment.
- *Disposal fees.* Costs associated to the disposal of materials prior to the implementation of the specific program being implemented. Since the intent and impact of the legislation is to divert materials from the landfill, a direct savings is seen.
- *Other expenses related to program.* The claimants should take into consideration the specific program being claimed for reimbursement and identify all areas that have been impacted.

#### Revenue

- *Sale of commodities.* This would include any and all revenues generated due to the sale of materials collected through the implementation of the specific program being claimed. This could include, but is not limited to, white office paper, mixed office paper, cardboard, beverage containers, ferrous and nonferrous metals, glass, plastic, re-sale of used text books, compost, mulch, and firewood.
- *Avoided disposal fees.* Through the implementation of the AB 75 program(s) a facility will see a direct reduction in the amount of materials that would have been placed into a landfill or a trash dumpster on the campus. These direct savings are to be credited to the program based on today's disposal costs.
- *Sale of obsolete equipment.* Proceeds of any sales of obsolete equipment.
- *Other revenue related to program.* Dependent on the particular program or activity being submitted to the Commission for reimbursement several other factors can and will generate a cost savings. It is suggested that the claimants be required to identify all savings associated to the particular program or activity as per the findings of the Commission.<sup>6</sup>

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<sup>6</sup> Exhibit D.

In the parameters and guidelines analysis adopted in March 2005, the Commission found that community colleges are not required to identify in their reimbursement claims the potential costs savings that may result from avoiding disposal costs. The Commission also found that community college districts are not required by law to submit with their reimbursement claims a program worksheet recommended by the Board.<sup>7</sup>

Thus, the parameters and guidelines did not identify any offsetting cost savings for avoided disposal costs as a result of the mandate to divert solid waste.

In October 2006, the Commission adopted a statewide cost estimate in the amount of \$10,785,532 (with an average annual cost of \$1,198,392), covering fiscal years 1999-2000 through 2006-2007. The statewide cost estimate was based on 142 actual, unaudited, reimbursement claims filed by 27 community college districts for fiscal years 1999-2000 through 2004-2005, and estimated costs using the implicit price deflator for fiscal years 2005-2006 through 2006-2007. During the proceedings for the statewide cost estimate, the Board contended that the Commission's failure to include offsetting cost savings in the parameters and guidelines resulted in inaccurate cost claims. The Board filed comments arguing that the statewide cost estimate should be set at zero since community college districts collectively reported to the Board the diversion of waste in a tonnage amount that equaled \$22 million in avoided disposal costs.<sup>8</sup>

The Integrated Waste Management Board and the Department of Finance then filed a petition for writ of mandate in March 2007, asking the court to set aside the Commission's decision granting the test claim and to require the Commission to issue a new Statement of Decision and parameters and guidelines that give full consideration to the community colleges' cost savings (e.g. avoided landfill disposal fees) and revenues (from recyclables) by complying with the test claim statutes. They contended that the Commission did not properly account for all the offsetting cost savings from avoided disposal costs, or offsetting revenues from the sale of recyclable materials in the Statement of Decision or parameters and guidelines. (*State of California, Department of Finance, California Integrated Waste Management Board v. Commission on State Mandates, et al.* Sacramento County Superior Court, Case No. 07CS00355.)

On May 29, 2008, the Sacramento County Superior Court issued its Ruling on Submitted Matter, finding that the Commission's rationale for the treatment of cost savings and revenues in the parameters and guidelines was erroneous and required that the parameters and guidelines be amended.<sup>9</sup>

With regard to cost savings, the court found that the reduction or avoidance of costs resulting from solid waste diversion activities represent savings that must be offset and deducted from the claim for costs incurred as a result of the mandated activities in accordance with Public Contract Code section 12167 and 12167.1. Cost savings may be determined from the calculations of annual solid waste disposal reduction or diversion that community colleges must annually report to the Board pursuant to Public Resources

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<sup>7</sup> Exhibit D.

<sup>8</sup> Exhibit E.

<sup>9</sup> Exhibit F.

Code section 42926, subdivision (b)(1).<sup>10</sup> The court further concluded that offsetting savings are limited by Public Contract Code section 12167 and 12167.1, which require community colleges to deposit cost savings into the Integrated Waste Management Account in the Integrated Waste Management Fund. These funds may, on appropriation by the Legislature, be spent by the Board to offset integrated waste management plan implementation costs. The cost savings that do not exceed \$2000 annually are continuously appropriated for the colleges to spend to offset implementing and administering the costs of the integrated waste management plan. Cost savings in excess of \$2000 annually are available for this same purpose when appropriated by the Legislature.<sup>11</sup> The judgment and writ issued by the court on June 30, 2008, directed the Commission to amend the parameters and guidelines with respect to cost savings as follows:

Amend the parameters and guidelines in Test Claim No. 00-TC-07 to require community college districts claiming reimbursable costs of an integrated waste management plan under Public Resources Code section 42920, et seq. to identify and offset from their claims, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1, cost savings realized as a result of implementing their plans.<sup>12</sup>

The hearing on the parameters and guidelines on remand from the court took place on September 26, 2008. In addition to making the changes required by the court's writ, the Board requested that the Commission amend the parameters and guidelines to further require community college districts to provide information with their claims identifying all cost savings resulting from the plans, including amounts that exceed \$2000. The Board also requested that the Commission require community college districts to analyze the following categories of potential cost savings in determining what to include in their claims:

Staffing:

Through the implementation of the program being claimed a reduction in staff hours (PYs) can be achieved. In order to determine any cost increases or decreases the claimant will need to evaluate the total staff required to implement the program being claimed prior to AB 75 and the staff needed to implement and operate the current program. All values identified must be calculated based on a conversion to the dollar values for the particular year being claimed.

Overhead:

Costs incurred for overhead, such as benefits, for the PYs identified under "staffing."

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<sup>10</sup> Exhibit F, Ruling, page 7.

<sup>11</sup> Exhibit F, Ruling, pages 8-9.

<sup>12</sup> Exhibit F.

Materials:

Through the implementation of the program being claimed a reduction or elimination of supplies and materials may be have been achieved. This could include, and is not limited to: White office paper, mixed office paper, cardboard, printed catalogs, postage, envelopes, and other office supplies.

Storage:

Through the implementation of this program being claimed a reduction or elimination of storage of supplies and materials may have been achieved. The elimination of storage is a cost savings that must be allotted to offset any costs association to the implementation of the identified program(s) being claimed by the claimant.

Transportation Costs:

The transportation of supplies and waste materials has a cost. The claimant should determine how many trips staff was making to purchase, pick-up and deliver supplies needed for the program being claimed and the current level of the activity.

Claimant should also consider the cost incurred or avoided for the collection of waste materials associated with the activity being claimed.

Equipment:

Any costs associated with new/replacement equipment, including any costs avoided for maintenance of obsolete equipment.

Sale of Commodities:

This would include any and all revenues generated due to the sale of materials collected through the implementation of the specific program being claimed. This could include, but is not limited to white office paper, mixed office paper, cardboard, beverage containers, ferrous and nonferrous metals, glass, plastic, re-sale of used text books, compost, mulch, and firewood.

Avoided disposal fees:

Through the implementation of the AB 75 program(s) a facility will see a direct reduction in the amount of materials that would have been placed into a landfill or a trash dumpster on the campus. These direct savings are to be credited to the program based on today's disposal costs.

Sale of obsolete equipment:

Proceeds of any sales of obsolete equipment.

Other revenue related to program:

Dependent on the particular program or activity being submitted to the Commission for reimbursement several other factors can and will generate a cost savings.

The Board argued that “this change is consistent with the Commission’s statutes which provide that the ‘reasonable reimbursement methodology’ used should identify the costs to implement the mandate in a cost-efficient manner.”<sup>13</sup>

The Commission disagreed with the Board’s argument and denied the request. The Commission found that the request to require community college districts to provide offsetting savings information whether or not the offsetting savings generated exceeds the \$2000 continuous appropriation was not consistent with the statutes or the court’s judgment and writ. Pages 6-8 of the analysis adopted by the Commission makes the following findings in this regard:

Rather, as described below, the court interpreted the plain language of these statutes as requiring community college districts to deposit all cost savings resulting from their Integrated Waste Management plans in the Integrated Waste Management Account in the Integrated Waste Management Fund. The funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature, and approval of the Integrated Waste Management Board, may be appropriated for the expenditure by those community college districts for the purposes of offsetting program costs.

Public Resources Code section 42925, subdivision (a), states the following:

Any cost savings realized as a result of the state agency integrated waste management plan shall, to the extent feasible, be redirected to the agency’s integrated waste management plan to fund plan implementation and administration costs, in accordance with Sections 12167 and 12167.1 of the Public Contract Code.

Public Contract Code section 12167 states:

Revenues received from this plan or any other activity involving the collection and sale of recyclable materials in state and legislative offices located in state-owned and state-leased buildings, such as the sale of waste materials through recycling programs operated by the California Integrated Waste Management Board or in agreement with the board, shall be deposited in the Integrated Waste Management Account in the Integrated Waste Management Fund and are hereby continuously appropriated to the board, without regard to fiscal years, until June 30, 1994, for the purposes of offsetting recycling program costs. On and after July 1, 1994, the funds in the Integrated Waste Management Account may be expended by the board, only upon appropriation by the Legislature, for the purpose of offsetting recycling program costs.

Public Contract Code section 12167.1 states:

Notwithstanding Section 12167, upon approval by the California Integrated Waste Management Board, revenues derived from the sale of recyclable materials by state agencies and institutions that do not

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<sup>13</sup> Exhibit G.



exceed two thousand dollars (\$2,000) annually are hereby continuously appropriated, without regard to fiscal years, for expenditure by those state agencies and institutions for the purposes of offsetting recycling program costs. Revenues that exceed two thousand dollars (\$2,000) annually shall be available for expenditure by those state agencies and institutions when appropriated by the Legislature. Information on the quantities of recyclable materials collected for recycling shall be provided to the board on an annual basis according to a schedule determined by the board and participating agencies.

The court interpreted these statutes as follows:

By requiring the redirection of cost savings from state agency IWM plans to fund plan implementation and administration costs “in accordance with Sections 12167 and 12167.1 of the Public Contract Code,” section 42925 assures that cost savings realized from state agencies’ IWM plans are handled in a manner consistent with the handling of revenues received from state agencies’ recycling plans under the State Assistance for Recycling Markets Act. Thus, in accordance with section 12167, state agencies, along with California Community Colleges which are defined as state agencies for purposes of IWM plan requirements in Public Resources Code section 42920 et seq. [citations omitted], must deposit cost savings resulting from IWM plans in the Integrated Waste Management Account in the Integrated Waste Management Fund; the funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature, may be expended by the Integrated Waste Management Board for the purpose of offsetting IWM plan costs. In accordance with section 12167.1 and notwithstanding section 12167, cost savings from the IWM plans of the agencies and colleges that do not exceed \$2000 annually are continuously appropriated for expenditure by the agencies and colleges for the purpose of offsetting IWM plan implementation and administration costs; cost savings resulting from IWM plans in excess of \$2000 annually are available for such expenditure by the agencies and colleges when appropriated by the Legislature.<sup>14</sup>

Accordingly, the Board’s request is not consistent with these statutes or the court’s judgment and writ. Thus, the Commission does not have jurisdiction to make the changes requested by the Board.

The Commission also found that the Board’s request to require community college districts to analyze specified categories of potential cost savings in staffing, overhead, materials, etc., when filing their claims was not required by the test claim statutes and not consistent with the court’s ruling, judgment, and writ. The Commission’s findings are as follows:

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<sup>14</sup> Exhibit F, Ruling, page 9.

The Commission's jurisdiction on this item is limited by the court's judgment and writ. The court's judgment and writ do not direct the Commission to include the additional language requested by the Board in the parameters and guidelines.

The court agreed with the Board that community college districts are required by Public Resources Code section 42925, subdivision (a), to redirect any cost savings realized as a result of the diversion activities to fund the district's implementation and administration of the integrated waste management plan. But the court determined that the amount or value of cost savings is already available from the annual report the community colleges provide to the Board pursuant to Public Resources Code section 42926, subdivision (b).<sup>15</sup> This report is required to include the district's "calculations of annual disposal reduction" and "information on the changes in waste generated or disposed of due to increases or decreases in employees, economics, or other factors." The court's writ requires the Commission to amend the parameters and guidelines as follows:

Amend the parameters and guidelines in Test Claim No. 00-TC-07 to require community college districts claiming reimbursable costs of an integrated waste management plan under Public Resources Code section 42920, et seq. *to identify and offset from their claims, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1, cost savings realized as a result of implementing their plans.*

The writ does not direct the Commission to amend the parameters and guidelines to require community college districts to analyze the potential categories of cost savings identified by the Board.

Thus, the offsetting cost language adopted by the Commission on September 26, 2008, tracks the statutory language of Public Resources Code sections 42925 and Public Contract Code sections 12167 and 12167.1. Section VIII of the parameters and guidelines, Offsetting Cost Savings, states the following:

**VIII. OFFSETTING COST SAVINGS**

Reduced or avoided costs realized from implementation of the community college districts' Integrated Waste Management plans shall be identified and offset from this claim as cost savings, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1.

Pursuant to these statutes, community college districts are required to deposit cost savings resulting from their Integrated Waste Management plans in the Integrated Waste Management Account in the Integrated Waste Management Fund; the funds deposited in the Integrated Waste Management Account, upon appropriation by the Legislature, may be expended by the California Integrated Waste Management Board for the

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<sup>15</sup> Exhibit F, Ruling, page 7.

purpose of offsetting Integrated Waste Management plan costs. Subject to the approval of the California Integrated Waste Management Board, cost savings by a community college that do not exceed two thousand dollars (\$2,000) annually are continuously appropriated for expenditure by the community college for the purpose of offsetting Integrated Waste Management program costs. Cost savings exceeding two thousand dollars (\$2,000) annually may be available for expenditure by the community college only when appropriated by the Legislature. To the extent so approved or appropriated and applied to the college, these amounts shall be identified and offset from the costs claimed for implementing the Integrated Waste Management Plan.<sup>16</sup>

**Issue 1: Should the Commission amend Section VIII of the parameters and guidelines to require community college districts to analyze specified categories of potential cost savings in staffing, overhead, materials, etc., when filing their claims?**

The Board requests that the parameters and guidelines be amended in Section VIII, Offsetting Cost Savings, to include the following language requiring community college districts to analyze avoided disposal costs and other offsetting savings as a result of the test claim statutes when filing reimbursement claims.

Only additional expenses related to this mandate may be included in a claim and offsetting savings to the same program experienced as a result of this same mandate shall be subtracted from the amount of the claim. Claimants shall analyze the following items in determining what to include in their claims:

Staffing:

Through the implementation of the program being claimed a reduction in staff hours (PYs) can be achieved. In order to determine any cost increases or decreases the claimant will need to evaluate the total staff required to implement the program being claimed prior to AB 75 and the staff needed to implement and operate the current program. All values identified must be calculated based on a conversion to the dollar values for the particular year being claimed.

Overhead:

Costs incurred for overhead, such as benefits, for the PYs identified under “staffing.”

Materials:

Through the implementation of the program being claimed a reduction or elimination of supplies and materials may be have been achieved. This could include, and is not limited to: White office paper, mixed office

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<sup>16</sup> Exhibit B.

paper, cardboard, printed catalogs, postage, envelopes, and other office supplies.

Storage:

Through the implementation of this program being claimed a reduction or elimination of storage of supplies and materials may have been achieved. The elimination of storage is a cost savings that must be allotted to offset any costs association to the implementation of the identified program(s) being claimed by the claimant.

Transportation Costs:

The transportation of supplies and waste materials has a cost. The claimant should determine how many trips staff was making to purchase, pick-up and deliver supplies needed for the program being claimed and the current level of the activity.

Claimant should also consider the cost incurred or avoided for the collection of waste materials associated with the activity being claimed.

Equipment:

Any costs associated with new/replacement equipment, including any costs avoided for maintenance of obsolete equipment.

Sale of Commodities:

This would include any and all revenues generated due to the sale of materials collected through the implementation of the specific program being claimed. This could include, but is not limited to white office paper, mixed office paper, cardboard, beverage containers, ferrous and nonferrous metals, glass, plastic, re-sale of used text books, compost, mulch, and firewood.

Avoided disposal fees:

Through the implementation of the AB 75 program(s) a facility will see a direct reduction in the amount of materials that would have been placed into a landfill or a trash dumpster on the campus. These direct savings are to be credited to the program based on today's disposal costs.

Sale of obsolete equipment:

Proceeds of any sales of obsolete equipment.

Other revenue related to program:

Dependent on the particular program or activity being submitted to the Commission for reimbursement several other factors can and will generate a cost savings.

The Board contends that the proposed amendments should be made “to more accurately capture the information necessary to provide accurate claims and a Statewide Cost Estimates [sic].”

Staff recommends that the Commission deny the request to amend the parameters and guidelines by requiring community colleges to specifically analyze the cost savings information identified by the Board when filing reimbursement claims. There is no requirement in statute or Board regulations that community college districts perform the analysis specified by the Board. Moreover, the Commission does not have the authority to impose additional requirements on community college districts regarding this program. Rather, section 1183.1, subdivision (a)(8), of the Commission's regulations simply requires that the parameters and guidelines include an identification of offsetting savings in the same program experienced because of the state statutes or executive orders found to contain a mandate. The current offsetting cost savings paragraph identifies the offsetting savings consistent with the language of Public Resources Code section 42925, subdivision (a), and Public Contract Code sections 12167 and 12167.1, and with the court's judgment and writ. The language is also consistent with Public Resources Code section 42927, subdivision (b), which becomes operative and effective on January 1, 2009. (Stats. 2008, ch. 343, Sen. Bill No. 1016.) Section 42927 is consistent with the court's ruling and judgment, and requires a community college to "expend all cost savings that result from implementation of the district's integrated waste management plan pursuant to this chapter to fund the continued implementation of the plan consistent with the requirement that revenues from the sale of recyclable materials be used to offset recycling program costs, as specified in Sections 12167 and 12167.1 of the Public Contract code."

Furthermore, the Board incorrectly argues that "this change is consistent with the Commission's statutes which provide that the 'reasonable reimbursement methodology' used should identify the costs to implement the mandate in a cost-efficient manner." A reasonable reimbursement methodology is defined in Government Code section 17518.5 to mean a formula for reimbursing school districts for costs mandated by the state that is based on general allocation formulas, uniform cost allowances, and other approximations of local costs. Reasonable reimbursement methodologies are used in lieu of a district maintaining detailed documentation of actual local costs and may be developed by the Department of Finance, the State Controller's Office, an affected state agency, a claimant, or an interested party. The Commission has not adopted a reasonable reimbursement methodology in this case, and one has not yet been proposed.

Finally, the Board contends that the proposed amendments are necessary to capture information necessary to provide accurate claims. But the information on cost savings is already available to the Board. The court found that cost savings can be determined from the calculations of annual solid waste disposal reduction or diversion included in the community colleges' annual reports to the Board pursuant to Public Resources Code section 42926, subdivision (b)(1).<sup>17</sup> In comments to the proposed statewide cost estimate, the Board was able to determine from this report the dollar amount of cost savings for the fiscal years in question and argued that the statewide cost estimate should be set at zero "since community college districts collectively reported to the Board the

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<sup>17</sup> Exhibit F, Ruling, page 7.

diversion of waste in a tonnage amount that equaled \$22 million in avoided disposal costs.”<sup>18</sup>

Therefore, staff recommends that the Commission deny the Board’s request to amend the parameters and guidelines to require community colleges to specifically analyze the cost savings information identified by the Board when filing reimbursement claims.

**Issue 2: Should the Commission amend Section IX of the parameters and guidelines to add language regarding the State Controller’s claiming instructions?**

Section IX of the parameters and guidelines states the following:

**IX. STATE CONTROLLER’S REVISED CLAIMING INSTRUCTIONS**

The Controller shall, within 60 days after receiving amended parameters and guidelines prepare and issue revised claiming instructions for mandates that require state reimbursement after any decision or order of the commission pursuant to section 17558. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission. Pursuant to Government Code section 17561, subdivision (d)(2), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies. (Gov. Code, § 17558, subdivision (c).)

If revised claiming instructions are issued by the Controller pursuant to subdivision (c) of section 17558 between November 15 and February 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

The Board requests that the Commission add the following language to Section IX:

The claiming instructions shall include sufficient instructions to ensure that only additional expenses related to this mandate are included and that any offsetting savings, as described above, are not included.

Staff recommends that the Commission deny the proposed language. The requirement that only increased costs be claimed is already provided in the boilerplate language of Section IV of the parameters and guidelines, Reimbursable Activities, which states that:

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

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<sup>18</sup> Exhibit E.

Furthermore, staff finds that offsetting cost savings are adequately described in Section VIII of the parameters and guidelines, the first sentence of which states that “[r]educed or avoided costs realized from implementation of the community college districts’ Integrated Waste Management plans *shall be identified and offset from this claim* as cost savings, consistent with the directions for revenue in Public Contract Code sections 12167 and 12167.1.” (Emphasis added.)

The claiming instructions prepared by the State’s Controller’s Office are required to be derived from the test claim decision and the adopted parameters and guidelines. (Gov. Code, § 17558, subd. (b).)

Accordingly, staff recommends that the Commission deny the proposed amendments to Section IX of the parameters and guidelines.

**Conclusion and Staff Recommendation**

Staff recommends that the Commission deny the request of the Integrated Waste Management Board to amend the parameters and guidelines.