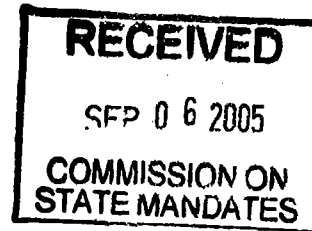


SixTen and Associates

Mandate Reimbursement Services

KEITH B. PETERSEN, MPA, JD, President
5252 Balboa Avenue, Suite 807
San Diego, CA 92117

Telephone: (858) 514-8605
Fax: (858) 514-8645
E-Mail: Kbpsixten@aol.com



September 1, 2005

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

RE: Health Fee Elimination
Fiscal Years: 2001-02 through 2002-03
Incorrect Reduction Claim

Dear Ms. Higashi:

Enclosed is the original and two copies of the above referenced incorrect reduction claim for Long Beach 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:

Irma Ramos, Administrative Dean
Human Resources
Long Beach Community College District
4901 East Carson Street
Long Beach, CA 90808

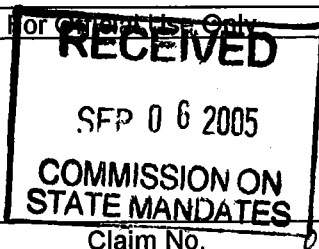
Thank-you.

Sincerely,

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

Keith B. Petersen

State of California
COMMISSION ON STATE MANDATES
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562
CSM 2 (12/89)



INCORRECT REDUCTION CLAIM FORM

Local Agency or School District Submitting Claim

LONG BEACH COMMUNITY COLLEGE DISTRICT

Contact Person

Telephone Number

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

Voice: 858-514-8605
Fax: 858-514-8645
E-mail: Kbpsixten@aol.com

Address

Irma Ramos, Administrative Dean
Human Resources
Long Beach Community College District
4901 East Carson Street
Long Beach, CA 90808

Representative Organization to be Notified

Telephone Number

Robert Miyashiro, Consultant, Education Mandated Cost Network
c/o School Services of California
1121 L Street, Suite 1060
Sacramento, CA 95814

Voice: 916-446-7517
Fax: 916-446-2011
E-mail: robertm@SSCal.com

This claim alleges an incorrect reduction of a reimbursement claim filed with the State Controller's Office pursuant to section 17561 of the Government Code. This incorrect reduction claim is filed pursuant to section 17561(b) of the Government Code.

CLAIM IDENTIFICATION: Specify Statute or Executive Order

HEALTH FEE ELIMINATION Chapter 1, Statutes of 1984, 2nd E.S. Education Code Section 76355
Chapter 1118, Statutes of 1987

<u>Fiscal Year</u>	<u>Amount of the Incorrect Reduction</u>
2001-2002	\$193,957
2002-2003	\$272,672
Total Amount	\$466,629

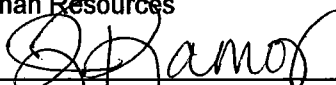
IMPORTANT: PLEASE SEE INSTRUCTIONS AND FILING REQUIREMENTS FOR COMPLETING AN INCORRECT REDUCTION CLAIM ON THE REVERSE SIDE.

Name and Title of Authorized Representative

Telephone No.

Irma Ramos, Administrative Dean
Human Resources

Voice: 562-938-4095
Fax: 562-938-4364
E-Mail: iramos@lbcc.edu



Signature of Authorized Representative

Date

X

August 30, 2005

1 Claim Prepared by:
2 Keith B. Petersen
3 SixTen and Associates
4 5252 Balboa Avenue, Suite 807
5 San Diego, California 92117
6 Voice: (858) 514-8605
7 Fax: (858) 514-8645

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

11 INCORRECT REDUCTION CLAIM OF:)
12) No. CSM _____
13)
14) Chapter 1, Statutes of 1984, 2nd E.S.
15) Chapter 1118, Statutes of 1987
16 LONG BEACH)
17 Community College District,) Education Code Section 76355
18)
19) Health Fee Elimination
20 Claimant.)
21) Annual Reimbursement Claims:
22)
23) Fiscal Year 2001-02
24) Fiscal Year 2002-03
25)
26 _____) INCORRECT REDUCTION CLAIM FILING

27 PART I. AUTHORITY FOR THE CLAIM

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

**Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination**

1 17519.¹ Title 2, CCR, Section 1185 (a), requires the claimant to file an incorrect
2 reduction claim with the Commission.

3 This incorrect reduction claim is timely filed. Title 2, CCR, Section 1185 (b),
4 requires incorrect reduction claims to be filed no later than three years following the
5 date of the Controller's remittance advice notifying the claimant of a reduction. A
6 Controller's audit report dated April 27, 2005 has been issued, but no remittance
7 advices have been issued. The audit report constitutes a demand for repayment and
8 adjudication of the claim. On May 14, 2005, the Controller issued "results of review
9 letters" reporting the audit results and amounts due claimant, subject to payment when
10 appropriations are available, and constitutes a payment action.

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

¹ Government Code Section 17519, added by Chapter 1459, Statutes of 1984,
Section 1:

"School district' means any school district, community college district, or county
superintendent of schools."

Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination

PART II. SUMMARY OF THE CLAIM

The Controller conducted a field audit of District's annual reimbursement claims for the District's actual costs of complying with the legislatively mandated Health Fee Elimination Program (Chapter 1, Statutes of 1984, 2nd Extraordinary Session and Chapter 1118, Statutes of 1987) for the period of July 1, 2000 through June 30, 2003. As a result of the audit, the Controller determined that \$466,629 of the claimed costs for were unallowable:

Fiscal <u>Year</u>	Amount <u>Claimed</u>	Audit <u>Adjustment</u>	SCO <u>Payments</u>	Amount Due <u><State> District</u>
2001-02	\$244,306	\$193,957	\$25,457	\$24,892
2002-03	<u>\$272,672</u>	<u>\$ 272,672</u>	<u>\$ 0</u>	<u>\$ 0</u>
Totals	\$516,978	\$466,629	\$25,457	\$24,892

Since the District has been paid \$25,457 for these claims, the audit report concludes that a remaining amount of \$24,892 should be paid to the District "contingent on available appropriations."

PART III. PREVIOUS INCORRECT REDUCTION CLAIMS

The District has not filed any previous incorrect reduction claims for this mandate program. The District is not aware of any other incorrect reduction claims having been adjudicated on the specific issues or subject matter raised by this incorrect reduction claim.

/

quarter for health supervision and services, including direct or indirect medical and hospitalization services, or the operation of a student health center or centers, or both.

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

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

(c) The governing board of a district maintaining a community college shall adopt rules and regulations that exempt the following students from any fee required pursuant to subdivision (a):

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

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

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

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

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

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

Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination

1 Section 72246, effective April 15, 1993.

2 2. Test Claim

3 On December 2, 1985, Rio Hondo Community College District filed a test claim
4 alleging that Chapter 1, Statutes of 1984, 2nd Extraordinary Session, by eliminating the
5 authority to levy a fee and by requiring a maintenance of effort, mandated additional
6 costs by mandating a new program or the higher level of service of an existing program
7 within the meaning of California Constitution Article XIII B, Section 6.

8 On November 20, 1986, the Commission on State Mandates determined that
9 Chapter 1, Statutes of 1984, 2nd Extraordinary Session, imposed a new program upon
10 community college districts by requiring any community college district, which provided
11 health services for which it was authorized to charge a fee pursuant to former Section
12 72246 in the 1983-1984 fiscal year, to maintain health services at that level in the
13 1984-1985 fiscal year and each fiscal year thereafter.

14 At a hearing on April 27, 1989, the Commission of State Mandates determined
15 that Chapter 1118, Statutes of 1987, amended this maintenance of effort requirement to
16 apply to all community college districts which provided health services in fiscal year
17 1986-1987 and required them to maintain that level of health services in fiscal year

district.

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

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

1 1987-1988 and each fiscal year thereafter.

2 3. Parameters and Guidelines

3 On August 27, 1987, the original parameters and guidelines were adopted. On
4 May 25, 1989, those parameters and guidelines were amended. A copy of the
5 parameters and guidelines, as amended on May 25, 1989, is attached as Exhibit "B."
6 So far as is relevant to the issues presented below, the parameters and guidelines
7 state:

8 "V. REIMBURSABLE COSTS

9 A. Scope of Mandate

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

13 VI. CLAIM PREPARATION

14 B... 3. Allowable Overhead Cost

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

18 VII. SUPPORTING DATA

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

22 VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

23 Any offsetting savings the claimant experiences as a direct result
24 of this statute must be deducted from the costs claimed. In
25 addition, reimbursement for this mandate received from any

1 source, e.g., federal, state, etc., shall be identified and deducted
2 from this claim. This shall include the amount of \$7.50 per full-time
3 student per semester, \$5.00 per full-time student for summer
4 school, or \$5.00 per full-time student per quarter, as authorized by
5 Education Code section 72246(a). This shall also include
6 payments (fees) received from individuals other than students who
7 are not covered by Education Code Section 72246 for health
8 services. ...”

9 4. Claiming Instructions

10 The Controller has annually issued or revised claiming instructions for the
11 Health Fee Elimination mandate. A copy of the September 1997 revision of the
12 claiming instructions is attached as Exhibit “C.” The September 1997 claiming
13 instructions are believed to be, for the purposes and scope of this incorrect reduction
14 claim, substantially similar to the version extant at the time the claims which are the
15 subject of this Incorrect reduction claim were filed. However, since the Controller’s
16 claim forms and instructions have not been adopted as regulations, they have no force
17 of law, and, therefore, have no effect on the outcome of this incorrect reduction claim.

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

19 The Controller conducted an audit of District’s annual reimbursement claims for
20 Fiscal years 2001-02 and 2002-03. The audit concluded that only 10% of the
21 District’s costs, as claimed, are allowable. A copy of the April 27, 2005-audit report and
22 the District’s response is attached as Exhibit “D.”

23 **VI. CLAIMANT’S RESPONSE TO THE STATE CONTROLLER**

24 By letter dated February 4, 2005, the Controller transmitted a copy of its draft

1 audit report. By letter dated February 23, 2005, the District objected to the proposed
2 adjustments set forth in the draft audit report. A copy of District's letter of February 23,
3 2005 is attached as Exhibit "E." The Controller then issued its final audit report without
4 change to the adjustments as stated in the draft audit report.

5 **PART VII. STATEMENT OF THE ISSUES**

6 **Finding 1: Unallowable services and supplies costs**

7 The Controller asserts unallowable services and supplies direct costs totaling
8 \$17,894 for both fiscal years. This total amount comprises \$11,869 in "overclaimed"
9 athletic insurance costs and duplicated charges of \$6,025 for services and supplies for
10 both fiscal years.

11 Health Insurance Premium

12 The District pays two types of student insurance premiums. The basic and
13 catastrophic coverage for the general student population, and a separate premium
14 amount for intercollegiate athletes. The Controller's adjustment improperly disallows a
15 portion of the general population premium as somehow being related to intercollegiate
16 athletics. The audit report does not describe how the disallowance was calculated.
17 Regardless, the adjustment is inappropriate since student athletes are part of the
18 student population for purpose of the general student population insurance premium.
19 The insurance premiums for athletes pertains to coverage while participating in
20 intercollegiate sports, not while they are attending class or on campus in their capacity

1 a member of the general student population.

2 Services and Supplies

3 The District does not contest this adjustment.

4 **Finding 2 - Overstated indirect cost rates claimed**

5 The Controller asserts that the district overstated its indirect cost rates and costs
6 in the amount of \$139,093 for both fiscal years. This finding is based upon the
7 Controller's statement that "the district did not obtain federal approval for its IRCPs.
8 We calculated indirect cost rates using the methodology allowed by the SCO claiming
9 instructions." Contrary to the Controller's ministerial preferences, there is no
10 requirement in law that the district's indirect cost rate must be "federally" approved, and
11 further the Controller has never specified the federal agencies which have the authority
12 to approve indirect cost rates. Further, it should be noted that the Controller did not
13 determine that the District's rate was excessive or unreasonable.

14 CCFS-311

15 In fact, both the District's method and the Controller's method utilized the same
16 source document, the CCFS-311 annual financial and budget report required by the
17 state. The difference in the claimed and audited methods is in the determination of
18 which of those cost elements are direct costs and which are indirect costs. Indeed,
19 federally "approved" rates which the Controller will accept without further action, are
20 "negotiated" rates calculated by the district and submitted for approval, indicating that

1 the process is not an exact science, but a determination of the relevance and
2 reasonableness of the cost allocation assumptions made for the method used.

3 Regulatory Requirements

4 No particular indirect cost rate calculation is required by law. The parameters
5 and guidelines state that "Indirect costs *may be claimed* in the manner described by the
6 Controller in his claiming instructions." The district claimed these indirect costs "in the
7 manner" described by the Controller. The correct forms were used and the claimed
8 amounts were entered at the correct locations. Further, "may" is not "shall"; the
9 parameters and guidelines do not require that indirect costs be claimed in the manner
10 described by the Controller. In the audit report, the Controller asserts that "the specific
11 directions for the indirect cost rate calculation in the claiming instructions are an
12 extension of *Parameters and Guidelines*." It is not clear what the legal significance of
13 the concept of "extension" might be, regardless, the reference to the claiming
14 instructions in the parameters and guidelines does not change "may" into a "shall."
15 Since the Controller's claiming instructions were never adopted as law, or regulations
16 pursuant to the Administrative Procedure Act, the claiming instructions are merely a
17 statement of the ministerial interests of the Controller and not law.

18 Unreasonable or Excessive

19 Government Code Section 17561(d)(2) requires the Controller to pay claims,
20 provided that the Controller may audit the records of any school district to verify the
21 actual amount of the mandated costs, and may reduce any claim that the Controller

Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination

1 determines is excessive or unreasonable. The Controller is authorized to reduce a
2 claim only if it determines the claim to be excessive or unreasonable. Here, the District
3 has computed its ICRPs utilizing cost accounting principles from the Office of
4 Management and Budget Circular A-21, and the Controller has disallowed it without a
5 determination of whether the product of the District's calculation would, or would not, be
6 excessive, unreasonable, or inconsistent with cost accounting principles.

7 Neither State law nor the parameters and guidelines made compliance with the
8 Controller's claiming instructions a condition of reimbursement. The district has
9 followed the parameters and guidelines. The burden of proof is on the Controller to
10 prove that the product of District's calculation is unreasonable, not to recalculate the
11 rate according to its unenforceable ministerial preferences. Therefore, Controller
12 made no determination as to whether the method used by the District was reasonable,
13 but, merely substituted its FAM-29C method for the method reported by the District.
14 The substitution of the FAM-29C method is an arbitrary choice of the Controller, not a
15 "finding" enforceable either by fact or law.

16 **Finding 3: Understated authorized health service fees**

17 This finding is based on the Controller's recalculation of the student health
18 services fees which may have been "collectible" which was then compared to the
19 District's student health fee revenues actually received, resulting in a total adjustment
20 of \$217,409 for the two fiscal years.

1 Education Code Section 76355

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

10 Parameters and Guidelines

11 This Controller states that the "*Parameters and Guidelines* requires that the
12 district deduct authorized health fees from claimed costs." The parameters and
13 guidelines do not state this but instead state:

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

19 In order for the district to "experience" these "offsetting savings" the district must
20 actually have collected these fees. Student fees actually collected must be used to
21 offset costs, but not student fees that could have been collected and were not. The use

³ Former Education Code Section 72246 was repealed by Chapter 8, Statutes of 1993, Section 29, and was replaced by Education Code Section 76355.

Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination

1 of the term “any offsetting savings” further illustrates the permissive nature of the fees.

2 Government Code Section 17514

3 The Controller relies upon Government Code Section 17514 for the conclusion
4 that “[t]o the extent community college districts can charge a fee, they are not required
5 to incur a cost.” Government Code Section 17514, as added by Chapter 1459, Statutes
6 of 1984, actually states:

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

13 There is nothing in the language of the statute regarding the authority to charge a fee,
14 any nexus of fee revenue to increased cost, nor any language which describes the
15 legal effect of fees collected.

16 Government Code Section 17556

17 The Controller relies upon Government Code Section 17556 for the conclusion
18 that “the COSM shall not find costs mandated by the State if the school district has the
19 authority to levy fees to pay for the mandated program or increased level of service.”

20 Government Code Section 17556 as last amended by Chapter 589/89 actually states:

21 “The commission shall not find costs mandated by the state, as defined in
22 Section 17514, in any claim submitted by a local agency or school district, if after
23 a hearing, the commission finds that: . . .

24 (d) The local agency or school district has the authority to levy service
25 charges, fees, or assessments sufficient to pay for the mandated program or
26 increased level of service. . . .”

Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination

1 The Controller misrepresents the law. Government Code Section 17556 prohibits the
2 Commission on State Mandates from finding costs subject to reimbursement, that is,
3 approving a test claim activity for reimbursement, where there is authority to levy fees
4 in an amount sufficient to offset the entire mandated costs. Here, the Commission has
5 already approved the test claim and made a finding of a new program or higher level of
6 service for which the claimants do not have the ability to levy a fee in an amount
7 sufficient to offset the entire mandated costs.

8 Student Health Services Fee Amount

9 The Controller asserts that the district should have collected a student health
10 service fee each semester from non-exempt students in the amount of \$9 or \$12,
11 depending on the fiscal year and whether the student is enrolled full time or part time.
12 Districts receive notice of these fee amounts from the Chancellor of the California
13 Community Colleges. An example of one such notice is the letter dated March 5, 2001,
14 attached as Exhibit "F." While Education Code Section 76355 provides for an
15 increase in the student health service fee, it did not grant the Chancellor the authority
16 to establish mandatory fee amounts or mandatory fee increases. No state agency was
17 granted that authority by the Education Code, and no state agency has exercised its
18 rulemaking authority to establish mandatory fees amounts. It should be noted that the
19 Chancellor's letter properly states that increasing the amount of the fee is at the option
20 of the district, and that the Chancellor is not asserting that authority. Therefore, the
21 Controller cannot rely upon the Chancellor's notice as a basis to adjust the claim for

1 "collectible" student health services fees.

2 Fees Collected vs. Fees Collectible

3 This issue is one of student health fees revenue actually received, rather than
4 student health fees which might be collected. The Commission determined, as stated
5 in the parameters and guidelines that the student fees "experienced" (*collected*) would
6 reduce the amount subject to reimbursement. Student fees not collected are student
7 fees not "experienced" and as such should not reduce reimbursement. Further, the
8 amount 'collectible" will never equal actual revenues collected due to changes in
9 student's BOGG eligibility, bad debt accounts, and refunds.

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

17 **Finding 4: Understated expenditures and offsetting reimbursements**

18 This adjustment is not material and is not disputed by the district.

19 **Statute of Limitations for Audit**

20 This issue is not a finding of the Controller. The District asserts that the first

Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination

1 year of the two claims audited, FY 2001-02, is beyond the statute of limitations for audit
2 when the Controller completed its audit on April 27, 2005. The District raised this issue
3 at the beginning of the audit and in its letter dated February 23, 2005 in response to the
4 draft audit report.

5 Chronology of Claim Action Dates

6	December 6, 2002	FY 2001-02 claim filed by the District (certified mail)
7	August 18, 2004	Entrance conference date.
8	December 31, 2004	FY 2001-02 statute of limitations for audit expires
9	April 27, 2005	Controller's final audit report issued

10 The District's fiscal year 2001-02 claim was mailed to the Controller on
11 December 6, 2002. According to Government Code Section 17558.5, this claim is
12 subject to audit no later than December 31, 2004. The audit was not completed by this
13 date. Therefore, the audit adjustments for Fiscal Year 2001-02 are barred by the
14 statute of limitations set forth in Government Code Section 17558.5.

15 In its final audit report, the Controller responded as follows: The claim was filed
16 in December 2002. The audit was initiated on August 18, 2004, which is prior to the
17 statutory deadline fo December 2004." Note that the Controller considers the audit
18 "initiated" on the date of the entrance conference. Thus, the Controller is thus
19 asserting that date when the audit was "initiated" is relevant to the period of limitations,
20 and not the date of the audit report. In any case, a review of the legislative history of
21 Government Code Section 17558.5 indicates that the matter of the audit "initiation" date

Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination

1 is not relevant to any fiscal year claims which are the subject of this audit.

2 Statutory History

3 Prior to January 1, 1994, no statute specifically governed the statute of
4 limitations for audits of mandate reimbursement claims. Statutes of 1993, Chapter 906,
5 Section 2, operative January 1, 1994, added Government Code Section 17558.5 to
6 establish for the first time a specific statute of limitations for audit of mandate
7 reimbursement claims:

8 “(a) A reimbursement claim for actual costs filed by a local agency or school
9 district pursuant to this chapter is subject to audit by the Controller no later than
10 four years after the end of the calendar year in which the reimbursement claim is
11 filed or last amended. However, if no funds are appropriated for the program for
12 the fiscal year for which the claim is made, the time for the Controller to initiate
13 an audit shall commence to run from the date of initial payment of the claim.”

14 Thus, there are two standards. A funded claim is “subject to audit” for four years after
15 the end of the calendar year in which the claim was filed. An “unfunded” claim must
16 have its audit “initiated” within four years of first payment.

17 Statutes of 1995, Chapter 945, Section 13, operative July 1, 1996, repealed and
18 replaced Section 17558.5, changing only the period of limitations:

19 “(a) A reimbursement claim for actual costs filed by a local agency or school
20 district pursuant to this chapter is subject to audit by the Controller no later than
21 two years after the end of the calendar year in which the reimbursement claim is
22 filed or last amended. However, if no funds are appropriated for the program for
23 the fiscal year for which the claim is made, the time for the Controller to initiate
24 an audit shall commence to run from the date of initial payment of the claim.”

25 FY 2001-02 is subject to the two-year statute of limitations established by Chapter
26 945/95. FY 2001-02 was beyond audit when the audit report was issued. Since funds

Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination

1 were appropriated for the program for all the fiscal years which are the subject of the
2 audit, the alternative measurement date is not applicable, and the potential factual
3 issue of when the audit is initiated is not relevant. The FY 2001-02 claim is subject to
4 this statute, since the claim was filed in December 2002.

5 Statutes of 2002, Chapter 1128, Section 14.5, operative January 1, 2003
6 amended Section 17558.5 to state:

7 “(a) A reimbursement claim for actual costs filed by a local agency or school
8 district pursuant to this chapter is subject to the initiation of an audit by the
9 Controller no later than three years after the ~~end of the calendar year in which~~
10 the date that the actual reimbursement claim is filed or last amended, whichever
11 is later. However, if no funds are appropriated or no payment is made to a
12 claimant for the program for the fiscal year for which the claim is made filed, the
13 time for the Controller to initiate an audit shall commence to run from the date of
14 initial payment of the claim.”

15 The FY 2002-03 claim is subject to this statute, since the claim was filed in
16 January 2004. However, the District does not allege a statute of limitations problem for
17 FY 2002-03. The amendment is pertinent since it indicates this is the first time that the
18 factual issue of the date the audit is “initiated” for mandate programs for which funds
19 are appropriated is introduced. Therefore, at the time the claim is filed, it is impossible
20 for the claimant to know when the statute of limitations will expire, which is contrary to
21 the purpose of a statute of limitations.

22 Statutes of 2004, Chapter 890, Section 18, operative January 1, 2005 amended
23 Section 17558.5 to state:

24 “(a) A reimbursement claim for actual costs filed by a local agency or school
25 district pursuant to this chapter is subject to the initiation of an audit by the

Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination

1 Controller no later than three years after the date that the actual reimbursement
2 claim is filed or last amended, whichever is later. However, if no funds are
3 appropriated or no payment is made to a claimant for the program for the fiscal
4 year for which the claim is filed, the time for the Controller to initiate an audit
5 shall commence to run from the date of initial payment of the claim. In any case,
6 an audit shall be completed not later than two years after the date that the audit
7 is commenced.”

8 None of the fiscal period claims which are the subject of the audit are subject to
9 this amended version of Section 17558.5. The amendment is pertinent since it
10 indicates this is the first time that the Controller audits may be completed at a time
11 other than the stated period of limitations.

12 Initiation of An Audit

13 The audit report states that the Controller’s staff “initiated the audit” with the
14 entrance conference on August 18, 2004. Initiation of the audit is not relevant to the
15 annual claims which are the subject of this incorrect reduction claim. The words
16 “initiate an audit” are used only in the second sentence of Section 17558.5, that is, in a
17 situation when no funds are appropriated for the program for the fiscal year for which
18 the claim is made. Then, and only then, is the Controller authorized to “initiate an
19 audit” within two years from the date of initial payment. The claim at issue here were
20 not subject to the “no funds appropriated” provision, they were subject only to the first
21 sentence of the statute, i.e., they was only “subject to audit” through December 2004.
22 The words of the statute are quite clear and unambiguous: this claim is no longer
23 subject to audit after December 31, 2004. The unmistakable language of Section
24 17558.5 is confirmed by the later actions of the Legislature. Chapter 1128, Statutes of

1 2002, amended subdivision (a) of Government Code Section 17558.5 to change the
2 "subject to audit" language of the first sentence to "subject to the initiation of an audit."
3 Had the Legislature intended the former Section to mean "subject to the initiation of an
4 audit," there would have been no need to amend the statute to now say "subject to the
5 initiation of an audit."

6 The Controller did not complete the audit within the statutory period allowed for
7 the first fiscal year claim included in this audit. The date the audit was "initiated" is not
8 relevant, only the date the audit was completed as evidenced by the (final) Controller's
9 audit report. The audit findings are therefore void for the FY 2001-02 claim.

10 **PART VIII. RELIEF REQUESTED**

11 The District filed its annual reimbursement claims within the time limits
12 prescribed by the Government Code. The amounts claimed by the District for
13 reimbursement of the costs of implementing the program imposed by Chapter 1,
14 Statutes of 1984, 2nd E.S., Chapter 1118, Statutes of 1987, and Education Code
15 Section 76355 represent the actual costs incurred by the District to carry out this
16 program. These costs were properly claimed pursuant to the Commission's parameters
17 and guidelines. Reimbursement of these costs is required under Article XIII B, Section
18 6 of the California Constitution. The Controller denied reimbursement without any
19 basis in law or fact. The District has met its burden of going forward on this claim by
20 complying with the requirements of Section 1185, Title 2, California Code of
21 Regulations. Because the Controller has enforced and is seeking to enforce these

**Incorrect Reduction Claim of Long Beach Community College District
1/84; 1118/87 Health Fee Elimination**

1 adjustments without benefit of statute or regulation, the burden of proof is now upon the
2 Controller to establish a legal basis for its actions.

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

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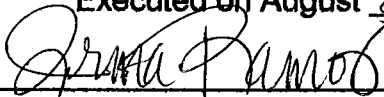
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PART IX. CERTIFICATION

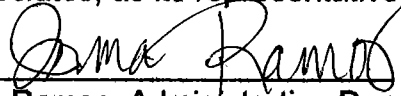
By my signature below, I hereby declare, under penalty of perjury under the laws of the State of California, that the information in this incorrect reduction claim submission is true and complete to the best of my own knowledge or information or belief, and that the attached documents are true and correct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

Executed on August 30, at Long Beach, California, by


Irma Ramos, Administrative Dean
Long Beach Community College District
4901 East Carson Street
Long Beach, CA 90808
Voice: 562-938-4095
Fax: 562-938-4364
E-Mail: iramos@lbcc.edu

APPOINTMENT OF REPRESENTATIVE

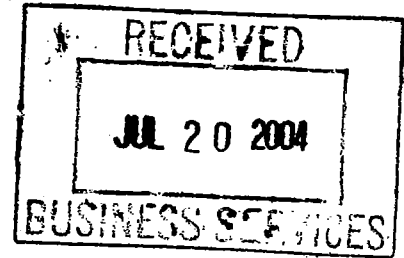
Long Beach Community College District appoints Keith B. Petersen, SixTen and Associates, as its representative for this incorrect reduction claim.


Irma Ramos, Administrative Dean
Long Beach Community College District

8-30-05
Date

Attachments:

- Exhibit "A" SCO Legal Counsel's Letter of June 15, 2004
- Exhibit "B" Parameters and Guidelines as amended May 25, 1989
- Exhibit "C" Controller's Claiming Instructions September 1997
- Exhibit "D" SCO Audit Report date April 27, 2004
- Exhibit "E" Claimant's Letter dated February 23, 2005
- Exhibit "F" Chancellor's Letter dated March 5, 2001



STEVE WESTLY
California State Controller

July 15, 2004

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

Re: Foothill-De Anza Community College District Audit

Dear Mr. Brandy:

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

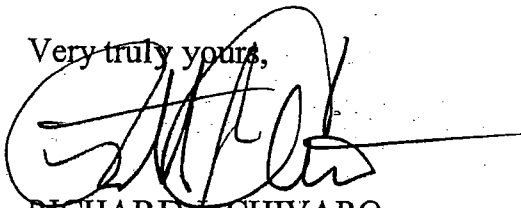
The Controller's informal audit review process was established to resolve factual disputes where no other forum for resolution, other than a judicial proceeding, is available.

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

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

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

Very truly yours,



RICHARD J. CHIVARO
Chief Counsel

RJC/st

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

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

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

I. SUMMARY OF MANDATE

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

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

II. COMMISSION ON STATE MANDATES' DECISION

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

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

III. ELIGIBLE CLAIMANTS

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

IV. PERIOD OF REIMBURSEMENT

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

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

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

V. REIMBURSABLE COSTS

A. Scope of Mandate

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

B. Reimbursable Activities

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

ACCIDENT REPORTS

APPOINTMENTS

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

ASSESSMENT, INTERVENTION & COUNSELING

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

EXAMINATIONS (Minor Illnesses)

Recheck Minor Injury

HEALTH TALKS OR FAIRS - INFORMATION

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

FIRST AID (Major Emergencies)

FIRST AID (Minor Emergencies)

FIRST AID KITS (Filled)

IMMUNIZATIONS

Diphtheria/Tetanus
Measles/Rubella
Influenza
Information

INSURANCE

On Campus Accident
Voluntary
Insurance Inquiry/Claim Administration

LABORATORY TESTS DONE

Inquiry/Interpretation
Pap Smears

PHYSICALS

Employees
Students
Athletes

MEDICATIONS (dispensed OTC for misc. illnesses)

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

PARKING CARDS/ELEVATOR KEYS

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

REFERRALS TO OUTSIDE AGENCIES

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

TESTS

Blood Pressure
Hearing
Tuberculosis
 Reading
 Information
Vision
Glucometer
Urinalysis

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

MISCELLANEOUS

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

COMMITTEES

Safety
Environmental
Disaster Planning

SAFETY DATA SHEETS

Central file

X-RAY SERVICES

COMMUNICABLE DISEASE CONTROL

BODY FAT MEASUREMENTS

MINOR SURGERIES

SELF-ESTEEM GROUPS

MENTAL HEALTH CRISIS

AA GROUP

ADULT CHILDREN OF ALCOHOLICS GROUP

WORKSHOPS

Test Anxiety
Stress Management
Communication Skills
Weight Loss
Assertiveness Skills

VI. CLAIM PREPARATION

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

A. Description of Activity

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

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

Claimed costs should be supported by the following information:

1. Employee Salaries and Benefits

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

2. Services and Supplies

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

3. Allowable Overhead Cost

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

VII. SUPPORTING DATA

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

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

VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

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

IX. REQUIRED CERTIFICATION

The following certification must accompany the claim:

I DO HEREBY CERTIFY under penalty of perjury:

THAT the foregoing is true and correct:

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

and

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

Signature of Authorized Representative

Date

Title

Telephone No.

HEALTH FEE ELIMINATION

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

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

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

2. Eligible Claimants

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

3. Appropriations

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

4. Types of Claims

A. Reimbursement and Estimated Claims

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

B. Minimum Claim

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

5. Filing Deadline

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

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

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

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

6. Reimbursable Components

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

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

\$10.00 per semester

\$5.00 for summer school

\$5.00 for each quarter

Beginning with the summer of 1997, the fees are:

\$11.00 per semester

\$8.00 for summer school or

\$8.00 for each quarter

The district may increase fees by the same percentage increase as the Implicit Price Deflator (IPD) for the state and local government purchase of goods and services.

Whenever the IPD calculates an increase of one dollar (\$1) above the existing amount, the fees may be increased by one dollar (\$1).

7. Reimbursement Limitations

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

8. Claiming Forms and Instructions

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

A. Form HFE- 2, Health Services

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

B. Form HFE-1.1, Claim Summary

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

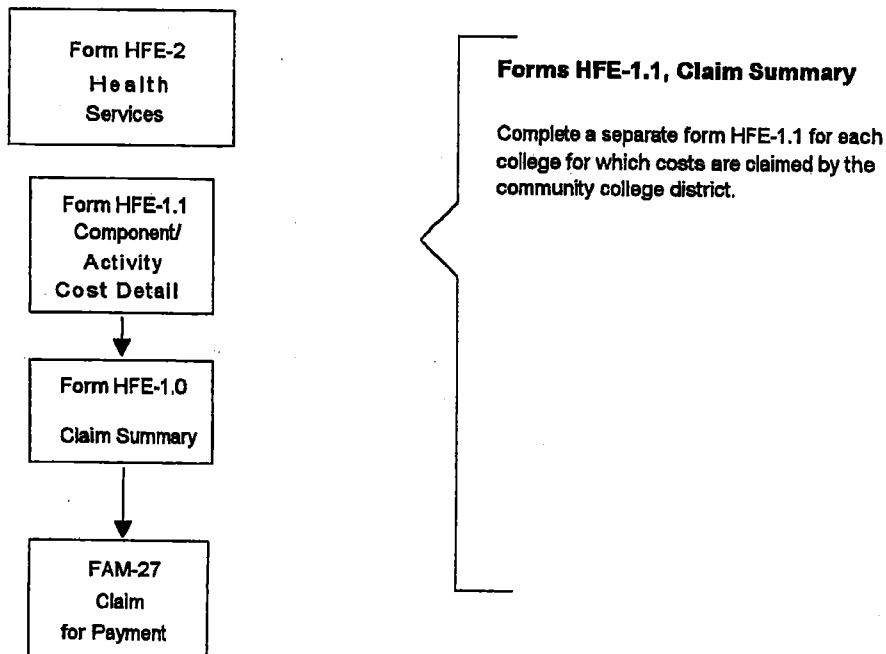
C. Form HFE-1.0, Claim Summary

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

D. Form FAM-27, Claim for Payment

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

Illustration of Claim Forms



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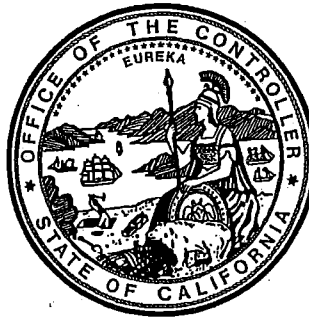
LONG BEACH COMMUNITY COLLEGE DISTRICT

Audit Report

HEALTH FEE ELIMINATION PROGRAM

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

July 1, 2001, through June 30, 2003



STEVE WESTLY
California State Controller

April 2005



STEVE WESTLY
California State Controller

April 27, 2005

Jan Kehoe, Ed.D.
Superintendent-President
Long Beach Community College District
4901 East Carson Street
Long Beach, CA 90808

Dear Dr. Kehoe:

The State Controller's Office audited the claims filed by Long Beach Community College District for costs of the legislatively mandated Health Fee Elimination Program (Chapter 1, Statutes of 1984, 2nd Extraordinary Session, and Chapter 1118, Statutes of 1987) for the period of July 1, 2001, through June 30, 2003.

The district claimed \$516,978 for the mandated program. Our audit disclosed that \$50,349 is allowable and \$466,629 is unallowable. The unallowable costs occurred primarily because the district overstated its indirect cost rates, understated authorized health service fees, and claimed unallowable costs. The State paid the district \$25,457. The State will pay allowable costs claimed that exceed the amount paid, totaling \$24,892, contingent upon available appropriations.

If you disagree with the audit findings, you may file an Incorrect Reduction Claim (IRC) with the Commission on State Mandates (COSM). 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 COSM's Web site at www.csm.ca.gov (Guidebook link), and obtain IRC forms by telephone at (916) 323-3562 or by e-mail at csminfo@csm.ca.gov.

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

Sincerely,

A handwritten signature in cursive script that reads "Vincent P. Brown".

VINCENT P. BROWN
Chief Operating Officer

VPB:JVB/ams

cc: Irma Ramos

Administrative Dean

Human Resources

Long Beach Community College District

Ed Monroe, Program Assistant

Fiscal Accountability Section

Chancellor's Office

California Community Colleges

Jeannie Oropeza, Program Budget Manager

Education Systems Unit

Department of Finance

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Attachment—District’s Response to Draft Audit Report	

Audit Report

Summary

The State Controller's Office (SCO) audited the claims filed by Long Beach Community College District for costs of the legislatively mandated Health Fee Elimination Program (Chapter 1, Statutes of 1984, 2nd Extraordinary Session (E.S.), and Chapter 1118, Statutes of 1987) for the period of July 1, 2001, through June 30, 2003. The last day of fieldwork was October 14, 2004.

The district claimed \$516,978 for the mandated program. The audit disclosed that \$50,349 is allowable and \$466,629 is unallowable. The unallowable costs occurred primarily because the district overstated its indirect cost rates, understated authorized health services fees, and claimed unallowable costs. The State paid the district \$25,457. The State will pay allowable costs claimed that exceed the amount paid, totaling \$24,892, contingent upon available appropriations.

Background

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

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

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

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

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

Objective, Scope, and Methodology

We conducted the audit to determine whether costs claimed represent increased costs resulting from the Health Fee Elimination Program for the period of July 1, 2001, through June 30, 2003.

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

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

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

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

Conclusion

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

For the audit period, Long Beach Community College District claimed \$516,978 for Health Fee Elimination Program costs. Our audit disclosed that \$50,349 is allowable and \$466,629 is unallowable.

For FY 2001-02, the State paid the district \$25,457. Our audit disclosed that \$50,349 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling \$24,892, contingent upon available appropriations.

For FY 2002-03, the State made no payment to the district. The audit disclosed that none of the costs claimed is allowable.

**Views of
Responsible
Official**

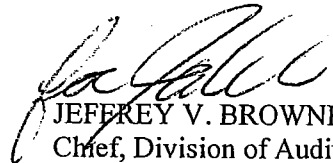
We issued a draft audit report on February 4, 2005. Irma Ramos, Administrative Dean, Human Resources, responded by letter dated February 23, 2005 (Attachment), disagreeing with the audit results. The final audit report includes the district's response.

Based on the district's response, Finding 1 reported in the draft report for \$9,222 has been removed from this final report. Consequently, Findings 1 through 5 in the draft report have been renumbered as Findings 1 through 4.

Finding 1 stated that pregnancy testing claimed during the audit period was not offered during the FY 1996-97 base year and, therefore, the costs were unallowable. The finding was supported by the district's "Fall 1991 LAC Health Services Semester Report" that stated pregnancy testing was "now" offered, among other services. Additional evidence was not available to support that pregnancy testing was not offered in the FY 1996-97 base year.

Restricted Use

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


JEFFREY V. BROWNFIELD
Chief, Division of Audits

**Schedule 1—
Summary of Program Costs
July 1, 2001, through June 30, 2003**

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustments	Reference ¹
<u>July 1, 2001, through June 30, 2002</u>				
Salaries and benefits	\$ 318,568	\$ 318,568	\$ —	
Services and supplies	98,913	90,493	(8,420)	Findings 1, 4
Subtotal	417,481	409,061	(8,420)	
Indirect costs	149,291	75,424	(73,867)	Findings 1, 2, 4
Total health expenditures	566,772	484,485	(82,287)	
Less authorized health fees	(321,995)	(432,828)	(110,833)	Finding 3
Less offsetting savings/reimbursements	—	(837)	(837)	Finding 4
Less cost of services in excess of FY 1986-87 services	(471)	(471)	—	
Total costs	\$ 244,306	50,349	\$ (193,957)	
Less amount paid by the State		(25,457)		
Allowable costs claimed in excess of (less than) amount paid		\$ 24,892		
<u>July 1, 2002, through June 30, 2003</u>				
Salaries and benefits	\$ 342,109	\$ 342,109	\$ —	
Services and supplies	96,417	87,780	(8,637)	Finding 1
Subtotal	438,526	429,889	(8,637)	
Indirect costs	148,836	77,522	(71,314)	Findings 1, 2
Total health expenditures	587,362	507,411	(79,951)	
Less authorized health fees	(313,843)	(531,252)	(217,409)	Finding 3
Less offsetting savings/reimbursements	(847)	(847)	—	
Total costs	272,672	(24,688)	(297,360)	
Adjustment to eliminate negative balance	—	24,688	24,688	
Net allowable costs	\$ 272,672	—	\$ 272,672	
Less amount paid by the State		—		
Allowable costs claimed in excess of (less than) amount paid		\$ —		

Schedule 1 (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustments	Reference ¹
Summary: July 1, 2001, through June 30, 2003				
Salaries and benefits	\$ 660,677	\$ 660,677	\$ —	
Services and supplies	195,330	178,273	(17,057)	Findings 1, 4
Subtotal	856,007	838,950	(17,057)	
Indirect costs	298,127	152,946	(145,181)	Findings 1, 2, 4
Total health expenditures	1,154,134	991,896	(162,238)	
Less authorized health fees	(635,838)	(964,080)	(328,242)	Finding 3
Less cost of services in excess of FY 1986-87 services	(471)	(471)	—	
Less offsetting savings/reimbursements	(847)	(1,684)	(837)	Finding 4
Total costs	516,978	25,661	(491,317)	
Adjustment to eliminate negative balance	—	24,688	24,688	
Net allowable costs	<u>\$ 516,978</u>	50,349	<u>\$ (466,629)</u>	
Less amount paid by the State		(25,457)		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 24,892</u>		

¹ See the Findings and Recommendations section.

Findings and Recommendations

**FINDING 1—
Unallowable services
and supplies costs**

The district overclaimed services and supplies costs totaling \$17,894 during the audit period. The related unallowable indirect costs totaled \$6,241, based on claimed indirect cost rates.

The district overclaimed insurance premiums paid for student basic and catastrophic coverage by \$11,869, because it included unallowable premiums paid for athletic insurance. In addition, the district inadvertently claimed \$6,025 twice for services and supplies.

The following table summarizes the audit adjustment.

	Fiscal Year		Total
	2001-02	2002-03	
Student insurance premiums	\$ (5,857)	\$ (6,012)	\$ (11,869)
Costs claimed twice	(3,400)	(2,625)	(6,025)
Total direct costs	(9,257)	(8,637)	\$ (17,894)
Indirect cost rate claimed	× 35.76%	× 33.94%	
Related indirect costs	(3,310)	(2,931)	\$ (6,241)
Total direct costs (from above)	(9,257)	(8,637)	(17,894)
Audit adjustment	\$ (12,567)	\$ (11,568)	\$ (24,135)

Parameters and Guidelines states that the cost of insurance is reimbursable for the following activities: (1) on campus accident, (2) voluntary, and (3) insurance inquiry/claim administration.

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

Parameters and Guidelines also states that all costs claimed must be traceable to source documentation that shows evidence of the validity of such costs.

Recommendation

We recommend the district ensure that it claims only costs for health services that are reimbursable under the mandate program. In addition, the district should ensure that all costs claimed are supported by source documentation.

District's Response

The District is still investigating the athletic insurance costs to determine if the amounts reported in the claim related to basic insurance costs for students who also were covered by athletic insurance. However, the final audit report need not be delayed for this work.

SCO's Comment

The finding and recommendation remain unchanged. The district did not provide any additional information supporting the allowability of insurance costs claimed.

**FINDING 2—
Overstated indirect
cost rates claimed**

The district overstated its indirect cost rates, thus overstating its indirect costs by \$139,093 for the audit period.

The district claimed indirect costs based on indirect cost rate proposals (ICRPs) prepared for each fiscal year by an outside consultant. However, the district did not obtain federal approval for its ICRPs. We calculated indirect cost rates using the methodology allowed by the SCO claiming instructions. The calculated indirect costs rates did not support the indirect cost rates claimed. The audited and claimed indirect cost rates are summarized as follows.

	Fiscal Year	
	2001-02	2002-03
Allowable indirect cost rate	18.23%	17.96%
Less claimed indirect cost rate	(35.76)%	(33.94)%
Unsupported indirect cost rate	<u>(17.53)%</u>	<u>(15.98)%</u>

Based on these unsupported indirect cost rates, we made the following audit adjustments.

	Fiscal Year		Total
	2001-02	2002-03	
Allowable costs originally claimed	\$ 403,367	\$ 427,927	
Unsupported indirect cost rate	×(17.53)%	×(15.98)%	
Audit adjustment	<u>\$ (70,710)</u>	<u>\$ (68,383)</u>	<u>\$ (139,093)</u>

Parameters and Guidelines states that indirect costs may be claimed in the manner described in the SCO claiming instructions. Those instructions require that districts obtain federal approval of ICRPs prepared according to Office of Management and Budget (OMB) Circular A-21. As an alternative, districts may use form FAM-29C to compute indirect cost rates. Form FAM-29C uses total expenditures reported in the *California Community College Annual Financial and Budget Report, Expenditures by Activity (CCFS-311)*.

Recommendation

We recommend that the district claim indirect costs based on indirect cost rates computed in accordance with the SCO claiming instructions. The district should obtain federal approval for ICRPs prepared in accordance with OMB Circular A-21. As an alternative, the district should use Form FAM-29C to prepare ICRPs based on the methodology allowed in the SCO claiming instructions.

District's Response

The State Controller asserts that the indirect cost method used by the District was inappropriate since it was not a cost study specifically approved by the federal government, which is one of the several choices allowed by the parameters and guidelines. The parameters and guidelines *do not require* that indirect costs be claimed in the manner described by the State Controller.

The State Controller's claiming instructions were never adopted as rules or regulations, and therefore have no force of law. The burden is on the State Controller to show, either factually or as a matter of law,

that the indirect cost rate method used by the District is excessive or unreasonable, which is the only mandated cost audit standard in statute (Government Code Section 17651(d) (2). If the State Controller wishes to enforce audit standards for mandated cost reimbursement, the State Controller should comply with the Administrative Procedures Act.

SCO's Comment

The finding and recommendation remain unchanged.

Parameters and Guidelines states that indirect costs may be claimed in the manner described in the SCO's claiming instructions. Therefore, the specific directions for the indirect cost rate calculation in the claiming instructions are an extension of *Parameters and Guidelines*. The SCO's claiming instructions state that community colleges have the option of using a federally approved rate prepared in accordance with OMB Circular A-21 or the SCO's alternate methodology using Form FAM-29C. In this case, the district chose to use indirect cost rates not approved by a federal agency, which is not an option provided by the SCO's claiming instructions.

**FINDING 3—
Understated
authorized health fee
revenues claimed**

For the audit period, the district understated authorized health service fees by \$217,409. The district reported actual revenue received rather than health fees the district was authorized to collect.

The district was unable to retrieve student attendance data from its computer system that was used to calculate the net health fee revenues reported in its reimbursement claims for the audit period. At the district's recommendation, we recalculated authorized health fee revenues using the Student Headcount by Enrollment Status for Long Beach Community College District report available from the California Community Colleges Chancellor's Office Web site, as well as district-prepared reports indicating the number of students who received fee waivers.

Using the student enrollment and exemption data, we calculated the health fees the district was authorized to collect, as shown in the following table.

	Fall	Spring	Summer	Total
<u>Fiscal Year 2001-02</u>				
Student enrollment	\$ 23,157	\$ 27,910	\$ 14,823	
Less allowable health fee exemptions	<u>(11,295)</u>	<u>(11,206)</u>	<u>(4,819)</u>	
Subtotal	11,862	16,704	10,004	
Authorized student health fee	× \$ (12)	× \$ (12)	× \$ (9)	
Authorized health service fees	<u>\$ (142,344)</u>	<u>\$ (200,448)</u>	<u>\$ (90,036)</u>	<u>\$ (432,828)</u>
<u>Fiscal Year 2002-03</u>				
Student enrollment	\$ 29,273	\$ 28,939	\$ 16,941	
Less allowable health fee exemptions	<u>(11,499)</u>	<u>(11,991)</u>	<u>(4,209)</u>	
Subtotal	17,774	16,948	12,732	
Authorized student health fee	× \$ (12)	× \$ (12)	× \$ (9)	
Authorized health service fees	<u>\$ (213,288)</u>	<u>\$ (203,376)</u>	<u>\$ (114,588)</u>	<u>\$ (531,252)</u>

The following table summarizes the resulting audit adjustment.

	Fiscal Year		Total
	2001-02	2002-03	
Health fee claimed	\$ 321,995	\$ 313,843	\$ 635,838
Less authorized health service fees	(432,828)	(531,252)	(964,080)
Audit adjustment	\$ (110,833)	\$ (217,409)	\$ (328,242)

Parameters and Guidelines requires that the district deduct authorized health fees from claimed costs. *Education Code* Section 76355(c) authorizes health fees for all students except those students who: (1) depend exclusively on prayer for healing; (2) attend a community college under an approved apprenticeship training program; or (3) demonstrate financial need. (*Education Code* Section 76355(a) increased authorized health fees by \$1 effective with the Summer 2001 session.)

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

Recommendation

We recommend that the district deduct authorized health service fees from allowable health service program costs on the mandate claim. The district should maintain records to support its calculation of authorized health service fees. This includes records that identify actual student enrollment and students exempt from health fees pursuant to *Education Code* Section 76355(c).

District’s Response

The District reported the actual student health services received, rather than utilize an estimate generated by the artificial calculation suggested by the parameters and guidelines. The State Controller alleges that claimants must compute the total student health fees collectible based on the highest “authorized” rate. The State Controller does not provide the factual basis for the calculation of the “authorized” rate, nor provide any reference to the “authorizing” source, nor the legal right of any state entity to “authorize” student health services rates absent rulemaking or compliance with the Administrative Procedures Act by the “authorizing” state agency.

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

to pay. The governing board may decide whether the fee shall be mandatory or optional." (Emphasis supplied in both instances)

The State Controller asserts that the parameters and guidelines require that health fees authorized by the Education Code must be deducted from the costs claimed. This is a misstatement of the Parameters and Guidelines. The Parameters and Guidelines, as last amended on May 25, 1989, state that "Any offsetting savings . . . must be deducted from the costs claimed . . . This shall include the amount of (student fees) as authorized by Education Code Section 72246(a)¹." Therefore, while student fees actually collected are properly used to offset costs, student fees that could have been collected, but were not, are not an offset.

The State Controller also misconstrues the legal meaning of Government Code Section 17556, which prohibits the Commission on State Mandates from approving test claims when the local government agency has authority to charge a fee sufficient to fund the cost of the mandate. This Commission determined that the mandate was a new program or increased level of service. Even the source of the mandate, Education Code Section 76355, at subdivision (e), allows for the possibility that the "cost to maintain that level of service" will exceed the statutory limit for the student health fees.

SCO's Comment

The finding and recommendation remain unchanged.

As mentioned above, the district was unable to retrieve student attendance data from its computer system that was used to calculate the net health fee revenues reported in its reimbursement claims for the audit period. At the district's recommendation, we recalculated authorized health fee revenues using the Student Headcount by Enrollment Status for Long Beach Community College District report available from the California Community Colleges Chancellor's Office Web site, as well as district-prepared reports indicating the number of students who received fee waivers.

We agree that community college districts may choose not to levy a health services fee. This is true even if *Education Code* Section 76355 provides the districts with the authority to levy such fees. However, the effect of not imposing the health services fee is that the related health services costs do not meet the requirement for mandated costs as defined by *Government Code* Section 17514. Health services costs recoverable through an authorized fee are not costs that the district is required to incur. *Government Code* Section 17556 states that COSM shall not find costs mandated by the State as defined in *Government Code* Section 17514 if the district has authority to levy fees to pay for the mandated program or increased level of service.

**FINDING 4—
Understated
expenditures and
offsetting
reimbursements**

The district underclaimed services and supplies by \$837 in FY 2001-02. The related indirect costs totaled \$153, based on the allowable indirect cost rate claimed for that fiscal year. The district also underclaimed offsetting revenues received in reimbursement of the \$837 expenditure noted above.

The health center expended \$837 to provide TB (tuberculosis) tests for the health center staff, and this amount was reimbursed by the district. The reimbursement was improperly recorded as an offset to expenditures (cost applied) rather than recorded as revenue for services rendered.

The following table summarizes the resulting audit adjustment.

	Fiscal Year 2001-02
Underclaimed services and supplies	\$ 837
Allowable indirect cost rate	× 18.23%
Related indirect costs	153
Total underclaimed services and supplies (from above)	837
Audit adjustment, total health expenditures	<u>\$ 990</u>
Audit adjustment, offsetting reimbursements	<u>\$ (837)</u>

Parameters and Guidelines states that eligible community college districts shall be reimbursed for the costs of providing a health services program. *Parameters and Guidelines* also requires the districts to list the cost of materials that have been consumed or expended specifically for the purpose of this mandate.

Parameters and Guidelines states that reimbursement for this mandate received from any source (e.g., federal, state, etc.) shall be identified and deducted from this claim.

Recommendation

We recommend the district include the expenditure of \$837 for providing TB tests for the health center staff in the direct costs of providing a health services program during FY 2001-02. In addition, the \$837 reimbursement received from the district should be shown as offsetting revenue.

District's Response

The State Controller correctly notes that the District reimbursed the student health services department for TB tests, and that these amounts were offset to expense accounts. The State Controller incorrectly concludes that this is improper. Point in fact, it complies with generally accepted accounting principles and the financial reporting requirements of the California Community College Chancellor's Office. The District is complying with financial reporting requirements. However, for purposes of *mandate cost accounting*, which differs from *financial accounting* in many aspects, the State Controller properly reverses the offset.

SCO's Comment

The finding and recommendation remain unchanged. The district agrees with the net audit adjustment.

**OTHER ISSUE—
Statute of limitations**

The district's response included comments regarding our authority to audit costs claimed for FY 2001-02. The district's response and the SCO's comment follow.

District's Response

The District's Fiscal Year 2001-02 claim was mailed to the State Controller on December 6, 2002. The draft audit report is dated February 4, 2005. According to Government Code Section 17558.5, this claim was subject to audit no later than December 31, 2004. The audit was not completed by this date. Therefore, the proposed audit adjustments for Fiscal Year 2001-02 are barred by the statute of limitations set forth in Government Code Section 17558.5.

SCO's Comment

Government Code Section 17558.5(a), in effect during the audit period, states that a district's reimbursement claim is subject to an audit no later than two years after the end of the calendar year in which the claim is filed or last amended. The claim was filed in December 2002. The audit was initiated on August 18, 2004, which is prior to the statutory deadline of December 2004.

**Attachment—
District's Response to
Draft Audit Report**



Board of Trustees
Dr. Thomas J. Clark
Jeffrey A. Kellogg
Dianne Theil McNinch
Douglas W. Otto
Roberto Uranga

Superintendent-President
E. Jan Kehoe, Ph.D.

Long Beach City College • Long Beach Community College District
4901 East Carson Street • Long Beach, California 90808

CERTIFIED MAIL # 7000 0520 0020 5926 1881

February 23, 2005

Mr. Jim L. Spano, Chief
Compliance Audits Bureau
California State Controller
Division of Audits
P.O. Box 942850
Sacramento, CA 94250-5874

Re: Chapter 1, Statutes of 1984
Health Fee Elimination
State Controller's Audit
Fiscal Years: 2001-02 and 2002-03

Dear Mr. Spano:

This letter is the response of the Long Beach Community College District to the letter to President Kehoe from Vincent P. Brown, Chief Operating Officer, State Controller's Office, dated February 4, 2005, and received by the District on February 14, 2005, which enclosed a draft copy of the State Controller's Office audit report of the District's Health Fee Elimination claims for the period of July 1, 2001 through June 30, 2003.

Statute of Limitations

The District's Fiscal Year 2001-02 claim was mailed to the State Controller on December 6, 2002. The draft audit report is dated February 4, 2005. According to Government Code Section 17558.5, this claim was subject to audit no later than December 31, 2004. The audit was not completed by this date. Therefore, the proposed audit adjustments for Fiscal Year 2001-02 are barred by the statute of limitations set forth in Government Code Section 17558.5.

Finding 1 - Ineligible Health Services-Pregnancy Tests

The State Controller's draft audit report states that pregnancy tests were not available at the college health center in FY 1986-87. The District's Form HFE 2.1 accurately reflects that pregnancy *services* were available in FY1986-87.

The parameters and guidelines state at Part III Eligible Claimants:

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

Education Code section 76355, subdivision (e), states:

"Any community college district that provided health services in the 1986-87 fiscal year shall maintain health services, at the level provided during the 1986-87 fiscal year, and each fiscal year thereafter."

Pregnancy tests are just a part of the whole scope of *services* which may comprise pregnancy services. The State Controller, as the audit agency proposing the adjustment, has the burden of proving the factual and legal basis for its adjustments. The State Controller provides no legal basis to conclude that the absence or inclusion of one type of laboratory *test* constitutes a different level of *service* from year to year. It would therefore appear that this finding is based upon the wrong standard for review.

Finding 2 - Unallowable Services and Supplies Costs

The District is still investigating the athletic insurance costs to determine if the amounts reported in the claim related to basic insurance costs for students who also were covered by athletic insurance. However, the final audit report need not be delayed for this work.

Finding 3 - Overstated Indirect Costs Claimed

The State Controller asserts that the indirect cost method used by the District was inappropriate since it was not a cost study specifically approved by the federal government, which is one of the several choices allowed by the parameters and guidelines. The parameters and guidelines *do not require* that indirect costs be claimed in the manner described by the State Controller.

The State Controller's claiming instructions were never adopted as rules or regulations, and therefore have no force of law. The burden is on the State Controller to show, either factually or as a matter of law, that the indirect cost rate method used by the District is excessive or unreasonable, which is the only mandated cost audit standard in

statute (Government Code Section 17651(d) (2). If the State Controller wishes to enforce audit standards for mandated cost reimbursement, the State Controller should comply with the Administrative Procedures Act.

Finding 4 - Understated Authorized Health Fee Revenues Claimed

The District reported the actual student health services received, rather than utilize an estimate generated by the artificial calculation suggested by the parameters and guidelines. The State Controller alleges that claimants must compute the total student health fees collectible based on the highest "authorized" rate. The State Controller does not provide the factual basis for the calculation of the "authorized" rate, nor provide any reference to the "authorizing" source, nor the legal right of any state entity to "authorize" student health services rates absent rulemaking or compliance with the Administrative Procedures Act by the "authorizing" state agency.

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

maintain that level of service" will exceed the statutory limit for the student health fees.

As a final defect, the State Controller does not demonstrate how reporting actual revenues received fails to comply with the law, and indeed, why it is not more accurate for cost accounting purposes than an estimate determined by the fee calculation.

Finding 5 - Understated Expenditures and Offsetting Reimbursements

The State Controller correctly notes that the District reimbursed the student health services department for TB tests, and that these amounts were offset to expense accounts. The State Controller incorrectly concludes that this is improper. Point in fact, it complies with generally accepted accounting principles and the financial reporting requirements of the California Community College Chancellor's Office. The District is complying with financial reporting requirements. However, for purposes of *mandate cost accounting*, which differs from *financial accounting* in many aspects, the State Controller properly reverses the offset.

o o o

The District requests that the audit report be changed to comply with the appropriate application of the Government Code concerning audits of mandate claims.

Sincerely,



Irma Ramos, Administrative Dean
Long Beach Community College District

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

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

C05-MCC-001





Pos	Fax Note	7671	Date	2-23-05	# of pages	1
To	Keith Peterson		From	Jennifer Bartz		
Co./Dept	Six Ten		Co.	LBCC		
Phone #	858 514 4605		Phone #	562 938 4572		
Fax #	858 514 8645		Fax #	562 938 4364		

Will go out in tomorrow's mail. *Jm*

Board of Trustees
 Dr. Thomas J. Clark
 Jeffrey A. Kellong
 Dianne Theil McMinel
 Douglas W. Orr
 Roberto Uranga
 Superintendent-President
 E. Jan Kehoe, Ph.D.

Long Beach City College • Long Beach Community College District
 4901 East Carson Street • Long Beach, California 90808

LBCC

CERTIFIED MAIL # 7000 0520 0020 5926 1881

February 23, 2005

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 P.O. Box 942850
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"Community college districts which provided health services in 1986-87 fiscal year and continue to provide the same services as a result of the mandate are eligible to claim reimbursement of those costs."

Education Code section 76355, subdivision (e), states:

"Any community college district that provided health services in the 1986-87 fiscal year shall maintain health services, at the level provided during the 1986-87 fiscal year, and each fiscal year thereafter."

Pregnancy tests are just a part of the whole scope of services which may comprise pregnancy services. The State Controller, as the audit agency proposing the adjustment, has the burden of proving the factual and legal basis for its adjustments. The State Controller provides no legal basis to conclude that the absence or inclusion of one type of laboratory test constitutes a different level of service from year to year. It would therefore appear that this finding is based upon the wrong standard for review.

Finding 2 - Unallowable Services and Supplies Costs

The District is still investigating the athletic insurance costs to determine if the amounts reported in the claim related to basic insurance costs for students who also were covered by athletic insurance. However, the final audit report need not be delayed for this work.

Finding 3 - Overstated Indirect Costs Claimed

The State Controller asserts that the indirect cost method used by the District was inappropriate since it was not a cost study specifically approved by the federal government, which is one of the several choices allowed by the parameters and guidelines. The parameters and guidelines *do not require* that indirect costs be claimed in the manner described by the State Controller.

The State Controller's claiming instructions were never adopted as rules or regulations, and therefore have no force of law. The burden is on the State Controller to show, either factually or as a matter of law, that the indirect cost rate method used by the District is excessive or unreasonable, which is the only mandated cost audit standard in

statute (Government Code Section 17651(d) (2). If the State Controller wishes to enforce audit standards for mandated cost reimbursement, the State Controller should comply with the Administrative Procedures Act.

Finding 4 - Understated Authorized Health Fee Revenues Claimed

The District reported the actual student health services received, rather than utilize an estimate generated by the artificial calculation suggested by the parameters and guidelines. The State Controller alleges that claimants must compute the total student health fees collectible based on the highest "authorized" rate. The State Controller does not provide the factual basis for the calculation of the "authorized" rate, nor provide any reference to the "authorizing" source, nor the legal right of any state entity to "authorize" student health services rates absent rulemaking or compliance with the Administrative Procedures Act by the "authorizing" state agency.

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

The State Controller asserts that the parameters and guidelines require that health fees authorized by the Education Code must be deducted from the costs claimed. This is a misstatement of the Parameters and Guidelines. The Parameters and Guidelines, as last amended on May 25, 1989, state that "Any offsetting savings . . . must be deducted from the costs claimed . . . This shall include the amount of (student fees) as authorized by Education Code Section 72246(a)". Therefore, while student fees actually collected are properly used to offset costs, student fees that could have been collected, but were not, are not an offset.

The State Controller also misconstrues the legal meaning of Government Code Section 17556, which prohibits the Commission on State Mandates from approving test claims when the local government agency has authority to charge a fee sufficient to fund the cost of the mandate. The Commission determined that the mandate was a new program or increased level of service. Even the source of the mandate, Education Code Section 76355, at subdivision (e), allows for the possibility that the "cost to

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

maintain that level of service" will exceed the statutory limit for the student health fees.

As a final defect, the State Controller does not demonstrate how reporting actual revenues received fails to comply with the law, and indeed, why it is not more accurate for cost accounting purposes than an estimate determined by the fee calculation.

Finding 5 - Understated Expenditures and Offsetting Reimbursements

The State Controller correctly notes that the District reimbursed the student health services department for TB tests, and that these amounts were offset to expense accounts. The State Controller incorrectly concludes that this is improper. Point in fact, it complies with generally accepted accounting principles and the financial reporting requirements of the California Community College Chancellor's Office. The District is complying with financial reporting requirements. However, for purposes of *mandate cost accounting*, which differs from *financial accounting* in many aspects, the State Controller properly reverses the offset.

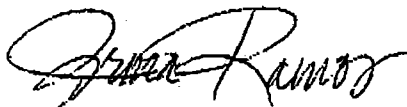
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The District requests that the audit report be changed to comply with the appropriate application of the Government Code concerning audits of mandate claims.

Sincerely,



Irma Ramos, Administrative Dean
Long Beach Community College District

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

1102 Q STREET
SACRAMENTO, CA 95814-6511
(916) 445-8752
HTTP://WWW.CCCCO.EDU



March 5, 2001

To: Superintendents/Presidents
Chief Business Officers
Chief Student Services Officers
Health Services Program Directors
Financial Aid Officers
Admissions and Records Officers
Extended Opportunity Program Directors

From: Thomas J. Nussbaum
Chancellor

Subject: Student Health Fee Increase

Education Code Section 76355 provides the governing board of a community college district the option of increasing the student health services fee by the same percentage as the increase in the Implicit Price Deflator for State and Local Government Purchase of Goods and Services. Whenever that calculation produces an increase of one dollar above the existing fee, the fee may be increased by \$1.00.

Based on calculations by the Financial, Economic, and Demographic Unit in the Department of Finance, the Implicit Price Deflator Index has now increased enough since the last fee increase of March 1997 to support a one dollar increase in the student health fees. Effective with the Summer Session of 2001, districts may begin charging a maximum fee of \$12.00 per semester, \$9.00 for summer session, \$9.00 for each intersession of at least four weeks, or \$9.00 for each quarter.

For part-time students, the governing board shall decide the amount of the fee, if any, that the student is required to pay. The governing board may decide whether the fee shall be mandatory or optional.

The governing board operating a health services program must have rules that exempt the following students from any health services fee:

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

- Students who are attending a community college under an approved apprenticeship training program.
- Students who receive Board of Governors Enrollment Fee Waivers, including students who demonstrate financial need in accordance with the methodology set forth in federal law or regulation for determining the expected family contribution of students seeking financial aid and students who demonstrate eligibility according to income standards established by the board of governors and contained in Section 58620 of Title 5 of the California Code of Regulations.

All fees collected pursuant to this section shall be deposited in the Student Health Fee Account in the Restricted General Fund of the district. These fees shall be expended only to provide health services as specified in regulations adopted by the board of governors. Allowable expenditures include health supervision and services, including direct or indirect medical and hospitalization services, or the operation of a student health center or centers, or both. Allowable expenditures exclude athletic-related salaries, services, insurance, insurance deductibles, or any other expense that is not available to all students. No student shall be denied a service supported by student health fee on account of participation in athletic programs.

If you have any questions about this memo or about student health services, please contact Mary Gill, Dean, Enrollment Management Unit at 916.323.5951. If you have any questions about the fee increase or the underlying calculations, please contact Patrick Ryan in Fiscal Services Unit at 916.327.6223.

CC: Patrick J. Lenz
Ralph Black
Judith R. James
Frederick E. Harris

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Annual Reimbursement Claims

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 HEALTH FEE ELIMINATION	For State Controller Use only (19) Program Number 00029 (20) Date File ___/___/___ (21) LRS Input ___/___/___
--	--

(01) Claimant Identification Number: L S-19250
(02) Mailing Address: A B E L Long Beach Community College District
Claimant Name L Long Beach Community College District
County of Location H Los Angeles
Street Address E R 4901 East Carson Street
City State Zip Code E Long Beach CA 90808

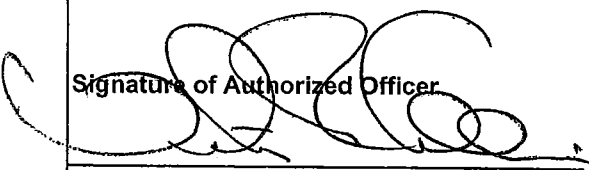
Reimbursement Claim Data	
(22) HFE - 1.0, (04)(b)	\$ 244,306
(23)	
(24)	
(25)	
(26)	
Type of Claim	(27)
Estimated Claim <input checked="" type="checkbox"/> (03) Estimated	(28)
Reimbursement Claim <input checked="" type="checkbox"/> (09) Reimbursement	(29)
<input type="checkbox"/> (04) Combined	(30)
<input type="checkbox"/> (10) Combined	
<input type="checkbox"/> (05) Amended	
<input type="checkbox"/> (11) Amended	
Fiscal Year of Cost	(31)
(06) 2002-2003	(12) 2001-2002
Total Claimed Amount	(32)
(07) \$ 265,000	(13) \$ 244,306
Less: 10% Late Penalty, but not to exceed \$1000	(33)
(14) \$ -	
Less: Estimate Claim Payment Received	(34)
(15) \$ 25,457	
Net Claimed Amount	(35)
(16) \$ 218,849	
Due from State	(36)
(08) \$ 265,000	(17) \$ 218,849
Due to State	(37)
(18) \$ -	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code § 17561, I certify that I am the officer authorized by the local agency to file claims with the State of California for costs mandated by Chapter 1, Statutes of 1984, and Chapter 1118, Statutes of 1987, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1096, inclusive.

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program mandated by Chapter 1, Statutes of 1984, and Chapter 1118, Statutes of 1987.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs for the mandated program of Chapter 1, Statutes of 1984, and Chapter 1118, Statutes of 1987, set forth on the attached statements.

Signature of Authorized Officer


Date **NOV 13 2002**

Victor Collins

Victor R. Collins
 Type or Print Name

Executive Vice-President, Human Resources
 Title

(39) Name of Contact Person or Claim SixTen and Associates	Telephone Number (858) 514-8605 E-Mail Address kbsixten@aol.com
--	--



**MANDATED COSTS
HEALTH FEE ELIMINATION
CLAIM SUMMARY**


**FORM
HFE-1.0**

(01) Claimant: Claimant Name Long Beach Community College District	(02) Type of Claim: Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2001-2002
---	---	-------------------------------------

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

(a) Name of College	(b) Claimed Amount
1. Long Beach City College	\$ 244,305.53
2.	\$ -
3.	\$ -
4.	\$ -
5.	\$ -
6.	\$ -
7.	\$ -
8.	\$ -
9.	\$ -
10.	\$ -
11.	\$ -
12.	\$ -
13.	\$ -
14.	\$ -
15.	\$ -
16.	\$ -
17.	\$ -
18.	\$ -
19.	\$ -
20.	\$ -
21.	\$ -
(04) Total Amount Claimed	\$ 244,306

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

	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.1
---	--	-------------------------------

(01) Claimant: Long Beach Community College District	(02) Type of Claim: Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/> Fiscal Year 2001-2002
--	---

(03) Name of College Long Beach City College

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

LESS SAME MORE

	Direct Cost	Indirect Cost of: 35.76%	Total
(05) Cost of Health Services for the Fiscal year of Claim	\$ 417,480	\$ 149,291	\$ 566,771
(06) Cost of providing current fiscal year health services which are in excess of the level provided in 1986/87	\$ 346.86	\$ 124	\$ 471
(07) Cost of providing current fiscal year health services at the 1986/87 level [Line (05) - line (06)]	\$ 417,134	\$ 149,167	\$ 566,301

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

Period for which health fees were collected	(a) Number of Full-time Students	(b) Number of Part-time Students	(c) Unit Cost for Full-time Student per Educ. Code § 76355	(d) Full-time Student Health Fees (a) x (c)	(e) Unit Cost for Part-time Student per Educ. Code § 76355	(f) Part-time Student Health Fees (b) x (e)	(g) Student Health Fees That Could Have Been Collected (d) + (f)
1. Per fall semester	1,247	11,984		\$ -		\$ -	\$ -
2. Per spring semester	3,006	15,131		\$ -		\$ -	\$ -
3. Per summer session	1,570	9,486		\$ -		\$ -	\$ -
4. Per first quarter				\$ -		\$ -	\$ -
5. Per second quarter				\$ -		\$ -	\$ -
6. Per third quarter				\$ -		\$ -	\$ -

(09) Total health fee that could have been collected *(ACTUAL per ledger general ledger attached) \$ 321,995

(10) Sub-total [Line (07) - line (09)] \$ 244,306

Cost Reduction

(11) Less: Offsetting Savings, if applicable	\$ -
(12) Less: Other Reimbursements, if applicable	\$ -
(13) Total Amount Claimed [Line (10) - (line (11) + line (12))]	\$ 244,306

**LONG BEACH COMMUNITY COLLEGE DISTRICT
CALCULATION OF INDIRECT COST RATE,
FISCAL YEAR
2000-2001**

*FOR 01-02
CLAIMS*

REFERENCE (CCFS 311)	DESCRIPTION	2000-2001
INSTRUCTIONAL ACTIVITY		
	Instructional Costs	
	Instructional Salaries and Benefits	37,398,743
	Instructional Operating Expenses	1,772,057
	Instructional Support Instructional Salaries and Benefits	0
	Auxiliary Operations Instructional Salaries and Benefits	7,195
	TOTAL INSTRUCTIONAL COSTS 1	39,177,995
	Non-Instructional Costs	
	Non-Instructional Salaries and Benefits	3,056,277
	Instructional Admin. Salaries and Benefits	2,633,275
	Instructional Admin. Operating Expenses	491,553
	Auxiliary Classes Non-Inst. Salaries and Benefits	756,406
	Auxiliary Classes Operating Expenses	589,740
	TOTAL NON-INSTRUCTIONAL COSTS 2	7,527,251
	TOTAL INSTRUCTIONAL ACTIVITY COSTS 3 (1 + 2)	46,705,246
DIRECT SUPPORT ACTIVITY		
	Direct Support Costs	
	Instructional Support Services Non Inst. Salaries and Benefits	2,240,408
	Instructional Support Services Operating Expenses	233,963
	Admissions and Records	1,626,697
	Counselling and Guidance	4,232,273
	Other Student Services	4,952,083
	TOTAL DIRECT SUPPORT COSTS 4	13,285,424
	TOTAL INSTRUCTIONAL ACTIVITY COSTS AND DIRECT SUPPORT COSTS 5 (3 + 4)	59,990,670
	Indirect Support Costs	
	Operation and Maintenance of Plant	6,528,323
	Planning and Policy Making	3,517,094
	General Instructional Support Services	11,407,189
	TOTAL INDIRECT SUPPORT COSTS 6	21,452,606
	TOTAL INSTRUCTIONAL ACTIVITY COSTS AND DIRECT SUPPORT COSTS AND TOTAL INDIRECT SUPPORT COSTS (5 + 6) = TOTAL COSTS	81,443,276
SUPPORT COSTS ALLOCATION RATES		
Indirect Support Costs Allocation Rate =	Total Indirect Supports Costs (6)	35.76%
	Total Instructional Activity Costs and Direct Support Costs (5)	
Direct Support Costs Allocation Rate =	Total Direct Support Costs (4)	28.45%
	Total Instructional Activity Costs (3)	
Total Support Cost Allocation		64.21%

Long Beach Community College District
 Health Fee Elimination
 Summary -2001-2002

Student Health Costs, shown in G/L - YTD	\$418,317.55
Less: Income reimbursement for Staff TB tests Included as expenses in G/L above See HFE 1.8 submitted by district	-837.12
Adjusted 2001-2002 Health Fee Expenses	<u>\$417,480.43</u>

Costs of 2001-02 Vaccine given to students - Not Given in 1986-87

Fall 2001 17 Vaccines Given	
R.N. Cost 5.67 hrs @ \$46.86 (Cindi Blomberg)	265.90
Supplies Safety Syringes 17 @ .58	9.86
Gloves 17x2 @ .12	4.08
Alcohol Wipes 17x2 @ .03	1.02
Spring 2002 4 Vaccines Given	
R.N. Cost 1.34 hrs @ \$46.86 (Cindi Blomberg)	62.48
Supplies Safety Syringes 4 @ .58	2.32
Gloves 4x2 @ .12	0.96
Alcohol Wipes 4x2 @ .03	0.24
2001-02 Costs in excess of level in 86/87	<u>346.86</u>

LONG BEACH COMMUNITY COLLEGE DISTRICT
 ADOPTED BUDGET 2002-2003
 REVENUE OF GENERAL FUND 01

DESCRIPTION	ADOPTED BUDGET 2001-2002	ACTUAL 2001-2002	ADOPTED BUDGET 2002-2003
OTHER STATE REVENUE (CONTINUED)			
Other State Revenue - Unrestricted	0	0	0
Center for International Trade	294,875	258,412	331,338
Mandated Cost Reimbursement	654,365	499,025	560,000
TOTAL OTHER STATE REVENUE	\$ 16,980,944	\$ 19,821,606	\$ 18,131,806
LOCAL REVENUE			
Gifts and Endowments	1,400	1,414	1,400
American Language and Culture Institute Fees	187,000	128,286	130,000
Johns Hopkins University	151,146	59,852	0
Use of Facilities, Custodial and Technician Services, Stadium	0	54,584	55,000
City of Long Beach Assessment	126,864	120,331	99,063
Sale of Publications	51,000	70,000	70,000
Veterans' Stadium Concessions	95,000	103,934	104,000
Veterans' Stadium Parking Lot Rental	787,000	816,086	820,000
Community Services Leases and Rentals	107,000	158,828	160,000
Rent, PCI/Walnut Property	12,200	12,100	13,000
Veterans' Stadium Rental	59,000	76,840	76,000
Interest - TRANS	351,000	211,676	200,000
Interest - Other	450,000	450,167	450,000
Community Services - Community Education and Events	127,549	119,018	120,000
Community Services - Recreation	117,150	48,900	50,000
Community Services - Senior Classes	14,823	16,877	16,000
Community Services - Summer Academy (Fastrax)	0	24,021	50,000
Senior Studies Trip Fees	24,000	27,154	22,000
Student Health Fees	334,801	321,995	325,000
Materials Fees	86,000	96,687	97,000
Transcript Fees	70,000	79,095	80,000
Nonresident Tuition	240,000	186,154	185,000
Parking Fees	600,000	609,578	610,000
Foreign Students Fees	1,090,000	1,340,894	1,400,000

LONG BEACH COMMUNITY COLLEGE DISTRICT
ACTIVITY SUMMARY FUND 01 GENERAL FUND

CC ID: LBCGL004 Group D
Year 2002 : Period - 12 (05/30/2002)

644000 Health Services Fylpaa, J.

INT NUMBER	ACCOUNT DESCRIPTION	BUDGET APPROP.	CURRENT APPROP.	PRE-ENCUMB TTD	ENCUMB TTD	EXPEND TTD	AVAILABLE BAL. TTD	BAL. PCT
100000 Academic Salaries								
0 0490	Acad Sal NI RS Supv/Coord Physical/Mental Health	0.00	0.00	0.00	0.00	31,028.44	-31,028.44	0.0
Total		0.00	0.00	0.00	0.00	31,028.44	-31,028.44	0.0
0 0490	Acad Sal NI SS Hrly Physical/Mental Health	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	100.0
Total		1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	100.0
0 0490	Acad Sal NI SS RS W/SS Assign Physical/Mental Health	0.00	0.00	0.00	0.00	1,513.23	-1,513.23	0.0
Total		0.00	0.00	0.00	0.00	1,513.23	-1,513.23	0.0
0 0490	Acad Sal NI Other Hourly Physical/Mental Health	23,100.00	23,100.00	0.00	0.00	13,814.57	9,285.43	40.2
Total		23,100.00	23,100.00	0.00	0.00	13,814.57	9,285.43	40.2
0 0490	Acad Sal NI Other Hourly Noninstruc Salaries, Other	24,600.00	24,600.00	0.00	0.00	15,327.80	9,272.20	37.7
Total		24,600.00	24,600.00	0.00	0.00	15,327.80	9,272.20	37.7
0 0490	100000 Academic Salaries	24,600.00	24,600.00	0.00	0.00	46,356.24	-21,756.24	-88.4
200000 Classified/Oth NAcademic Salar								
0 0490	Cl Sal NI RS Clerical Physical/Mental Health	64,084.00	64,084.00	0.00	0.00	71,581.21	-7,497.21	-11.7
Total		64,084.00	64,084.00	0.00	0.00	71,581.21	-7,497.21	-11.7
0 0490	Cl Sal NI RS Other Physical/Mental Health	92,392.00	92,392.00	0.00	0.00	101,321.25	-8,929.25	-9.7
Total		92,392.00	92,392.00	0.00	0.00	101,321.25	-8,929.25	-9.7
0 0490	Minstruc Salaries, Reg Status	156,476.00	156,476.00	0.00	0.00	172,902.46	-16,426.46	-10.5
0 0490	Cl Sal NI H Clerical Sub Pd Lv Physical/Mental Health	0.00	0.00	0.00	0.00	1,068.40	-1,068.40	0.0
Total		0.00	0.00	0.00	0.00	1,068.40	-1,068.40	0.0
0 0490	Cl Sal NI H Clerical Sub Pd Lv	0.00	0.00	0.00	0.00	1,068.40	-1,068.40	0.0
Total		0.00	0.00	0.00	0.00	1,068.40	-1,068.40	0.0

LONG BEACH COMMUNITY COLLEGE DISTRICT
ACTIVITY SUMMARY FUND 01 GENERAL FUND

TR ID: LBCGL04 Group D

F Year 2002 : Period - 12 (06/30/2002)

644000 - Health Services

Fylpaa, J.

UNT NUMBER	ACCOUNT DESCRIPTION	BUDGET APPROP.	CURRENT APPROP.	PRE-ENCUMB TTD	ENCUMB. TTD	EXPEND. TTD	AVAILABLE BAL. TTD	BAL. PCT
200000 Classified/Oth NAcademic Salar								
00 0490	Cl Sal NI H Non Clerical Physical/Mental Health	38,598.00	38,598.00	0.00	0.00	20,846.93	17,751.07	46.0
Total		38,598.00	38,598.00	0.00	0.00	20,846.93	17,751.07	46.0
00 0490	Moninstr Salaries, Other	38,598.00	38,598.00	0.00	0.00	21,915.33	16,682.67	43.2
Total		38,598.00	38,598.00	0.00	0.00	21,915.33	16,682.67	43.2
00 0490	200000 Classified/Oth NAcademic Salar	195,074.00	195,074.00	0.00	0.00	194,817.79	256.21	0.1
Total		195,074.00	195,074.00	0.00	0.00	194,817.79	256.21	0.1
300000 Employee Benefits								
00 0490	Staff Benefits Gen, Minstruct Physical/Mental Health	78,234.00	78,234.00	0.00	0.00	77,393.97	840.03	1.1
Total		78,234.00	78,234.00	0.00	0.00	77,393.97	840.03	1.1
00 0490	Other Benefits	78,234.00	78,234.00	0.00	0.00	77,393.97	840.03	1.1
Total		78,234.00	78,234.00	0.00	0.00	77,393.97	840.03	1.1
400000 Supplies and Materials								
00 0490	Duplicating Non Instr (Pulse) Physical/Mental Health	1,320.00	1,320.00	0.00	0.00	647.41	672.59	51.0
Total		1,320.00	1,320.00	0.00	0.00	647.41	672.59	51.0
00 0490	NI Supplies & Materials Physical/Mental Health	12,316.00	11,791.00	-92.00	149.37	10,759.54	974.09	8.3
Total		12,316.00	11,791.00	-92.00	149.37	10,759.54	974.09	8.3
00 0490	Non. Instr Supplies & Materials	13,636.00	13,111.00	-92.00	149.37	11,406.95	1,646.68	12.6
Total		13,636.00	13,111.00	-92.00	149.37	11,406.95	1,646.68	12.6
500000 Other Operating Exp/Services								
00 0490	Pers Srv or Firm & Advertising Physical/Mental Health	23,150.02	23,150.04	0.00	20,525.00	22,150.00	-19,524.96	-84.3
Total		23,150.02	23,150.04	0.00	20,525.00	22,150.00	-19,524.96	-84.3

LONG BEACH COMMUNITY COLLEGE DISTRICT
ACTIVITY SUMMARY FUND 01 GENERAL FUND

Cont ID: LBCGL004 Group D

BY: Off year 2002 : Period - 12 (06/30/2002)

644000 - Health Services Fylpaa, J.

CONT NUMBER T - PROG	ACCOUNT DESCRIPTION	BUDGET APPROP.	CURRENT APPROP.	PRE-ENCUMB TTD	ENCUMB. TTD	EXPEND. TTD	AVAILABLE		BAL.	
							BAL. TTD	PCT	BAL. TTD	PCT
500000 Other Operating Exp/Services										
Total	Contract Services	23,150.02	23,150.04	0.00	20,525.00	22,150.00	-19,524.96	-84.3		
200 0490	Conferences Academic Physical/Mental Health	500.00	500.00	0.00	0.00	395.00	105.00	21.0		
Total	Conferences Academic	500.00	500.00	0.00	0.00	395.00	105.00	21.0		
500 0490	Conferences Classified Physical/Mental Health	642.00	0.00	0.00	0.00	0.00	0.00	0.0		
Total	Conferences Classified	642.00	0.00	0.00	0.00	0.00	0.00	0.0		
000 0490	Staff Development Activities Physical/Mental Health	108.00	108.00	0.00	0.00	0.00	108.00	100.0		
Total	Staff Development Activities	108.00	108.00	0.00	0.00	0.00	108.00	100.0		
Total	Travel/Conf/Oth Exp Reimbursed	1,250.00	608.00	0.00	0.00	395.00	213.00	35.0		
000 0490	Memberships/Fees/Dues Physical/Mental Health	475.00	0.00	0.00	0.00	0.00	0.00	0.0		
Total	Memberships/Fees/Dues	475.00	0.00	0.00	0.00	0.00	0.00	0.0		
Total	Dues and Memberships	475.00	0.00	0.00	0.00	0.00	0.00	0.0		
0490	Other Insurance Physical/Mental Health	57,526.01	57,526.01	0.00	0.00	57,526.00	0.01	0.0		
Total	Other Insurance	57,526.01	57,526.01	0.00	0.00	57,526.00	0.01	0.0		
Total	Insurance	57,526.01	57,526.01	0.00	0.00	57,526.00	0.01	0.0		
300 0490	Equip Repairs Ni Physical/Mental Health	500.00	500.00	0.00	0.00	0.00	500.00	100.0		
Total	Equip Repairs Ni	500.00	500.00	0.00	0.00	0.00	500.00	100.0		
Total	Contracts Rents/Leases/Equip Rp	500.00	500.00	0.00	0.00	0.00	500.00	100.0		
Total	500000 Other Operating Exp/Services	82,901.03	81,784.05	0.00	20,525.00	80,071.00	-18,811.95	-23.0		
600000 Capital Outlay										

LONG BEACH COMMUNITY COLLEGE DISTRICT
ACTIVITY SUMMARY FUND 01 GENERAL FUND

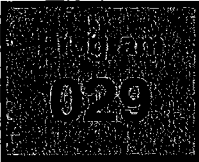
FY: Year 2002 : Period - 12 (06/30/2002)
644000 - Health Services Fy1pa, J.

MT NUMBER PROG	ACCOUNT DESCRIPTION	BUDGET APPROP.	CURRENT APPROP.	PRE-ENCUMB TTD	ENCUMB. TTD	EXPEND. TTD	AVAILABLE BAL. TTD	BAL. PCT
600000 Capital Outlay								
10 0490	Equip Non-Inst \$200-\$999.99 Physical/Mental Health	7,000.00	6,800.00	0.00	568.31	7,011.57	-779.88	-11.5
Total		7,000.00	6,800.00	0.00	568.31	7,011.57	-779.88	-11.5
0490	Equip Non-Inst \$1,000 & Up Physical/Mental Health	0.00	1,842.00	0.00	1,260.03	1,260.03	-678.06	-36.8
Total		0.00	1,842.00	0.00	1,260.03	1,260.03	-678.06	-36.8
Total	600000 Capital Outlay	7,000.00	8,642.00	0.00	1,828.34	8,271.60	-1,457.94	-16.9
Total	700000 Other Outgo	7,000.00	8,642.00	0.00	1,828.34	8,271.60	-1,457.94	-16.9
10 0490	Reserves Physical/Mental Health	0.00	0.00	0.00	0.00	0.00	0.00	0.0
Total		0.00	0.00	0.00	0.00	0.00	0.00	0.0
Total	Reserve for Contingencies	0.00	0.00	0.00	0.00	0.00	0.00	0.0
Total	700000 Other Outgo	0.00	0.00	0.00	0.00	0.00	0.00	0.0
Total	Health Services	401,445.03	401,445.05	-92.00	22,502.71	418,317.55	39,283.21	-9.8

418,317.55

ok

Less:
DIT Reimb
for STAFF TB
Tests 837.15
8417,480.43 net H/S
cont

	MANDATED COSTS HEALTH FEE ELIMINATION COMPONENT/ACTIVITY COST DETAIL	FORM HFE-2.1
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(01) Claimant Long Beach Community College District	Fiscal Year 2001-2002
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(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health Service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim
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Accident Reports	X	X
Appointments		
College Physician, surgeon		
Dermatology, Family practice		
Internal Medicine		
Outside Physician		
Dental Services		
Outside Labs, (X-ray, etc.,)		
Psychologist, full services	X	X
Cancel/Change Appointments	X	X
Registered Nurse	X	X
Check Appointments	X	X
Assessment, Intervention and Counseling		
Birth Control	X	X
Lab Reports	X	X
Nutrition	X	X
Test Results, office	X	X
Venereal Disease	X	X
Communicable Disease	X	X
Upper Respiratory Infection	X	X
Eyes, Nose and Throat	X	X
Eye/Vision	X	X
Dermatology/Allergy	X	X
Gynecology/Pregnancy Service	X	X
Neuralgic	X	X
Orthopedic	X	X
Genito/Urinary	X	X
Dental	X	X
Gastro-Intestinal	X	X
Stress Counseling	X	X
Crisis Intervention		
Child Abuse Reporting and Counseling	X	X
Substance Abuse Identification and Counseling	X	X
Eating Disorders	X	X
Weight Control	X	X
Personal Hygiene	X	X
Burnout	X	X
Other Medical Problems, list Diabetes	X	X
Examinations, minor illnesses		
Recheck Minor Injury		
Health Talks or Fairs, Information		
Sexually Transmitted Disease	X	X
Drugs	X	X
Acquired Immune Deficiency Syndrome	X	X
Child Abuse	X	X

MANDATED COSTS HEALTH FEE ELIMINATION COMPONENT/ACTIVITY COST DETAIL		FORM HFE-2.1	
(01) Claimant Long Beach Community College District		Fiscal Year 2001-2002	
(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health Service was provided by student health service fees for the indicated fiscal year.		(a) FY 1986/87	(b) FY of Claim
Birth Control/Family Planning		X	X
Stop Smoking		X	X
Library, Videos and Cassettes		X	X
First Aid, Major Emergencies		X	X
First Aid, Minor Emergencies		X	X
First Aid Kits, Filled		X	X
Immunizations			
Diphtheria/Tetanus		X	X
Measles/Rubella			X
Influenza			X
Information		X	X
Insurance			
On Campus Accident		X	X
Voluntary		X	X
Insurance Inquiry/Claim Administration		X	X
Laboratory Tests Done			
Inquiry/Interpretation		X	X
Pap Smears			
Physical Examinations			
Employees			
Students		X	X
Athletes			
Medications			
Antacids		X	X
Antidiarrheal		X	X
Aspirin, Tylenol, etc.,		X	X
Skin Rash Preparations		X	X
Eye Drops		X	X
Ear Drops			
Toothache, oil cloves		X	X
Stingkill		X	X
Midol, Menstrual Cramps		X	X
Other, list---> Ibuprofen			
Parking Cards/Elevator Keys			
Tokens			
Return Card/Key		X	X
Parking Inquiry			
Elevator Passes		X	X
Temporary Handicapped Parking Permits			

MANDATED COSTS HEALTH FEE ELIMINATION COMPONENT/ACTIVITY COST DETAIL		FORM HFE-2.1	
(01) Claimant Long Beach Community College District		Fiscal Year 2001-2002	
(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health Service was provided by student health service fees for the indicated fiscal year.		(a) FY 1986/87	(b) FY of Claim
Referrals to Outside Agencies			
Private Medical Doctor		X	X
Health Department		X	X
Clinic		X	X
Dental		X	X
Counseling Centers		X	X
Crisis Centers		X	X
Transitional Living Facilities, battered/homeless women		X	X
Family Planning Facilities		X	X
Other Health Agencies		X	X
Tests			
Blood Pressure		X	X
Hearing		X	X
Tuberculosis		X	X
Reading		X	X
Information		X	X
Vision		X	X
Glucometer		X	X
Urinalysis		X	X
Hemoglobin			
EKG			
Strep A Testing		X	X
PG Testing			
Monospot			
Hemacult			
Others, list			
Miscellaneous			
Absence Excuses/PE Waiver		X	X
Allergy Injections		X	X
Band-aids		X	X
Booklets/Pamphlets		X	X
Dressing Change		X	X
Rest		X	X
Suture Removal		X	X
Temperature		X	X
Weigh		X	X
Information		X	X
Report/Form		X	X
Wart Removal			
Others, list	Cold Packs, Hot Packs	X	X
Committees			
Safety		X	X
Environmental			
Disaster Planning		X	X
Skin Rash Preparations		X	X
Eye Drops		X	X

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 HEALTH FEE ELIMINATION	For State Controller Use only (19) Program Number 00029 (20) Date File ___/___/___ (21) LRS Input ___/___/___	PROGRAM 029
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(01) Claimant Identification Number: S19250	Reimbursement Claim Data
(02) Mailing Address: Claimant Name Long Beach Community College District County of Location Los Angeles Street Address 4901 East Carson Street City State Zip Code Long Beach CA 90808	(22) HFE - 1.0, (04)(b) \$ 272,672 (23) (24) (25) (26)


Type of Claim	Estimated Claim	Reimbursement Claim		
	(03) Estimated <input checked="" type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(27)	
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28)	
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29)	
			(30)	
Fiscal Year of Cost	(06) 2003-2004	(12) 2002-2003	(31)	
Total Claimed Amount	(07) \$ 275,000	(13) \$ 272,672	(32)	
Less: 10% Late Penalty, but not to exceed \$1000		(14) \$ -	(33)	
Less: Estimate Claim Payment Received		(15) \$ -	(34)	
Net Claimed Amount		(16) \$ 272,672	(35)	
Due from State	(08) \$ 275,000	(17) \$ 272,672	(36)	
Due to State		(18) \$ -	(37)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code § 17561, I certify that I am the officer authorized by the local agency to file claims with the State of California for costs mandated by Chapter 1, Statutes of 1984, and Chapter 1118, Statutes of 1987, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1096, inclusive.

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program mandated by Chapter 1, Statutes of 1984, and Chapter 1118, Statutes of 1987.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs for the mandated program of Chapter 1, Statutes of 1984, and Chapter 1118, Statutes of 1987, set forth on the attached statements.

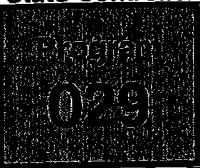
Signature of Authorized Officer


Date
 1-9-04
 Executive Vice-President, Human Resources
 Title

Type or Print Name
 Victor R. Collins

(39) Name of Contact Person or Claim
 SixTen and Associates

Telephone Number (858) 514-8605
 E-Mail Address kbpsixten@aol.com



**MANDATED COSTS
HEALTH FEE ELIMINATION
CLAIM SUMMARY**


**FORM
HFE-1.0**

(01) Claimant: Claimant Name	(02) Type of Claim: Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2002-2003
Long Beach Community College District		

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

(a) Name of College	(b) Claimed Amount
1. Long Beach City College	\$ 272,671.72
2.	\$ -
3.	\$ -
4.	\$ -
5.	\$ -
6.	\$ -
7.	\$ -
8.	\$ -
9.	\$ -
10.	\$ -
11.	\$ -
12.	\$ -
13.	\$ -
14.	\$ -
15.	\$ -
16.	\$ -
17.	\$ -
18.	\$ -
19.	\$ -
20.	\$ -
21.	\$ -
(04) Total Amount Claimed	\$ 272,672

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

	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.1
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(01) Claimant: Long Beach Community College District	(02) Type of Claim: Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2002-2003
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(03) Name of College Long Beach City College

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

LESS SAME MORE

	Direct Cost	Indirect Cost of:	Total
		33.94%	
(05) Cost of Health Services for the Fiscal year of Claim	\$ 438,526	\$ 148,836	\$ 587,362
(06) Cost of providing current fiscal year health services which are in excess of the level provided in 1986/87		\$ -	\$ -
(07) Cost of providing current fiscal year health services at the 1986/87 level [Line (05) - line (06)]	\$ 438,526	\$ 148,836	\$ 587,362

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

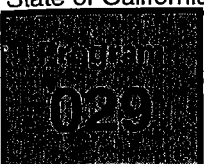
Period for which health fees were collected	(a) Number of Full-time Students	(b) Number of Part-time Students	(c) Unit Cost for Full-time Student per Educ. Code § 76355	(d) Full-time Student Health Fees (a) x (c)	(e) Unit Cost for Part-time Student per Educ. Code § 76355	(f) Part-time Student Health Fees (b) x (e)	(g) Student Health Fees That Could Have Been Collected (d) + (f)
1. Per fall semester				\$ -		\$ -	\$ -
2. Per spring semester				\$ -		\$ -	\$ -
3. Per summer session				\$ -		\$ -	\$ -
4. Per first quarter				\$ -		\$ -	\$ -
5. Per second quarter				\$ -		\$ -	\$ -
6. Per third quarter				\$ -		\$ -	\$ -
(09) Total health fee that could have been collected	[Line (8.1g) + (8.2g) +(8.6g)]						\$ 313,843
(10) Sub-total	[Line (07) - line (09)]						\$ 273,519

Cost Reduction	
(11) Less: Offsetting Savings, if applicable	\$ -
(12) Less: Other Reimbursements, if applicable	\$ 847.00
(13) Total Amount Claimed	[Line (10) - (line (11) + line (12))] \$ 272,672

**LONG BEACH COMMUNITY COLLEGE DISTRICT
CALCULATION OF INDIRECT COST RATE,
FISCAL YEAR
2001-2002**

For 02-09 classes

REFERENCE (CCFS 311)	DESCRIPTION	2001-2002
INSTRUCTIONAL ACTIVITY		
	Instructional Costs	
	Instructional Salaries and Benefits	44,670,763
	Instructional Operating Expenses	1,557,892
	Instructional Support Instructional Salaries and Benefits	0
	Auxiliary Operations Instructional Salaries and Benefits	0
	TOTAL INSTRUCTIONAL COSTS 1	46,228,655
	Non-Instructional Costs	
	Non-Instructional Salaries and Benefits	0
	Instructional Admin. Salaries and Benefits	2,857,705
	Instructional Admin. Operating Expenses	392,783
	Auxiliary Classes Non-Inst. Salaries and Benefits	946,883
	Auxiliary Classes Operating Expenses	579,448
	TOTAL NON-INSTRUCTIONAL COSTS 2	4,776,819
	TOTAL INSTRUCTIONAL ACTIVITY COSTS 3 (1 + 2)	51,005,474
DIRECT SUPPORT ACTIVITY		
	Direct Support Costs	
	Instructional Support Services Non Inst. Salaries and Benefits	2,850,939
	Instructional Support Services Operating Expenses	242,783
	Admissions and Records	1,766,898
	Counseling and Guidance	5,340,780
	Other Student Services	6,094,425
	TOTAL DIRECT SUPPORT COSTS 4	16,295,825
TOTAL INSTRUCTIONAL ACTIVITY COSTS AND DIRECT SUPPORT COSTS 5 (3 + 4)		
		67,301,299
	Indirect Support Costs	
	Operation and Maintenance of Plant	7,368,294
	Planning and Policy Making	3,504,511
	General Instructional Support Services	11,972,136
	TOTAL INDIRECT SUPPORT COSTS 6	22,844,941
TOTAL INSTRUCTIONAL ACTIVITY COSTS AND DIRECT SUPPORT COSTS AND TOTAL INDIRECT SUPPORT COSTS (5 + 6) = TOTAL COSTS		
		90,146,240
SUPPORT COSTS ALLOCATION RATES		
Indirect Support Costs Allocation Rate =	Total Indirect Support Costs (6) Total Instructional Activity Costs and Direct Support Costs (5)	33.94%
Direct Support Costs Allocation Rate =	Total Direct Support Costs (4) Total Instructional Activity Costs (3)	31.95%
Total Support Cost Allocation		65.89%

	MANDATED COSTS HEALTH FEE ELIMINATION COMPONENT/ACTIVITY COST DETAIL	FORM HFE-2.1
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(01) Claimant Long Beach Community College District	Fiscal Year 2002-2003
--	------------------------------

(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health Service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim
--	----------------------	-----------------------

Accident Reports	X	X
Appointments		
College Physician, surgeon		
Dermatology, Family practice		
Internal Medicine		
Outside Physician		
Dental Services		
Outside Labs, (X-ray, etc.,)		
Psychologist, full services	X	X
Cancel/Change Appointments	X	X
Registered Nurse	X	X
Check Appointments	X	X
Assessment, Intervention and Counseling		
Birth Control	X	X
Lab Reports	X	X
Nutrition	X	X
Test Results, office	X	X
Venereal Disease	X	X
Communicable Disease	X	X
Upper Respiratory Infection	X	X
Eyes, Nose and Throat	X	X
Eye/Vision	X	X
Dermatology/Allergy	X	X
Gynecology/Pregnancy Service	X	X
Neuralgic	X	X
Orthopedic	X	X
Genito/Urinary	X	X
Dental	X	X
Gastro-Intestinal	X	X
Stress Counseling	X	X
Crisis Intervention	X	X
Child Abuse Reporting and Counseling		
Substance Abuse Identification and Counseling	X	X
Eating Disorders	X	X
Weight Control	X	X
Personal Hygiene	X	X
Burnout	X	X
Other Medical Problems, list		
Examinations, minor illnesses		
Recheck Minor Injury	X	X
Health Talks or Fairs, Information		
Sexually Transmitted Disease	X	X
Drugs	X	X
Acquired Immune Deficiency Syndrome	X	X
Child Abuse	X	X

029	MANDATED COSTS HEALTH FEE ELIMINATION COMPONENT/ACTIVITY COST DETAIL	FORM HFE-2.1
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(01) Claimant Long Beach Community College District	Fiscal Year 2002-2003
--	------------------------------

(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health Service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim
--	----------------------	-----------------------

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

MANDATED COSTS HEALTH FEE ELIMINATION COMPONENT/ACTIVITY COST DETAIL		FORM HFE-2.1	
(01) Claimant Long Beach Community College District		Fiscal Year 2002-2003	
(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health Service was provided by student health service fees for the indicated fiscal year.		(a) FY 1986/87	(b) FY of Claim
Referrals to Outside Agencies			
Private Medical Doctor		X	X
Health Department		X	X
Clinic		X	X
Dental		X	X
Counseling Centers		X	X
Crisis Centers		X	X
Transitional Living Facilities, battered/homeless women		X	X
Family Planning Facilities		X	X
Other Health Agencies		X	X
Tests			
Blood Pressure		X	X
Hearing		X	X
Tuberculosis			
Reading		X	X
Information		X	X
Vision		X	X
Glucometer		X	X
Urinalysis		X	X
Hemoglobin			
EKG			
Strep A Testing		X	X
PG Testing			
Monospot			
Hemacult			
Others, list			
Miscellaneous			
Absence Excuses/PE Waiver		X	X
Allergy Injections			
Band-aids		X	X
Booklets/Pamphlets		X	X
Dressing Change		X	X
Rest		X	X
Suture Removal		X	X
Temperature		X	X
Weigh		X	X
Information		X	X
Report/Form			
Wart Removal		X	X
Others, list		X	X
Committees			
Safety		X	X
Environmental			
Disaster Planning		X	X
Skin Rash Preparations		X	X
Eye Drops		X	X