

SixTen and Associates Mandate Reimbursement Services

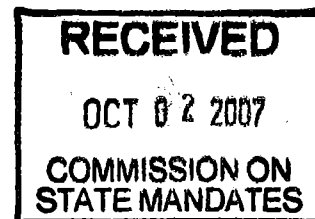
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October 1, 2007

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



RE: Incorrect Reduction Claim
Rancho Santiago Community College District
Health Fee Elimination
Fiscal Years: 2000-01, 2001-02, and 2002-03

Dear Ms. Higashi:

Enclosed is the original and two copies of the above referenced incorrect reduction claim for Rancho Santiago 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:

Peter Hardash, Vice Chancellor
Business Operations and Fiscal Services
Rancho Santiago Community College District
2323 North Broadway
Santa Ana, CA 92706-1640

Thank-you.

Sincerely,

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

Keith B. Petersen

COMMISSION ON STATE MANDATES

1. INCORRECT REDUCTION CLAIM TITLE

1/84 Health Fee Elimination

2. CLAIMANT INFORMATION

Rancho Santiago Community College District

Peter Hardash
Vice Chancellor, Business Operations and
Fiscal Services
2323 North Broadway
Santa Ana, CA 92706-1640
Voice: 714-480-7340
Fax: 714-796-3935
E-Mail: hardash_peter@rscsd.org

3. CLAIMANT REPRESENTATIVE INFORMATION

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

Keith B. Petersen, President
SixTen and Associates
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Filing Date:

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COMMISSION ON
STATE MANDATES

IRC #:

07-4206-I-15

4. IDENTIFICATION OF STATUTES OR EXECUTIVE ORDERS

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

Education Code Section 76355

5. AMOUNT OF SECOND INCORRECT REDUCTION

<u>Fiscal Year</u>	<u>Amount of Reduction</u>
2000-01	\$393,704
2001-02	\$518,510
2002-03	\$407,369
TOTAL:	\$1,319,583

6. NOTICE OF NO INTENT TO CONSOLIDATE

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

Sections 7-15 are attached as follows:

7. Incorrect Reduction Claim :	Pages <u>1</u> to <u>24</u>
8. Controller's 5/11/05 Letter:	Exhibit <u>A</u>
9. Controller's 7/15/04 Letter:	Exhibit <u>B</u>
10. Parameters and Guidelines:	Exhibit <u>C</u>
11. Claiming Instructions:	Exhibit <u>D</u>
12. Controller's Audit Report:	Exhibit <u>E</u>
13. District's 10/6/04 Letter:	Exhibit <u>F</u>
14. Chancellor's 3/5/01 Letter:	Exhibit <u>G</u>
15. Reimbursement Claims:	Exhibit <u>H</u>

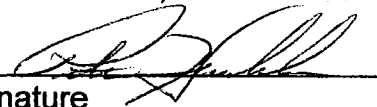
16. CLAIM CERTIFICATION

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

Peter Hardash, Vice Chancellor

Signature

Date



9/29/07

1 Claim Prepared by:
2 Keith B. Petersen
3 SixTen and Associates
4 3841 North Freeway Blvd., Suite 170
5 Sacramento, California 95834
6 Voice: (916) 565-6104
7 Fax: (916) 564-6103
8 E-mail: Kbpsixten@aol.com
9

10 BEFORE THE

11 COMMISSION ON STATE MANDATES

12 STATE OF CALIFORNIA

13
14 INCORRECT REDUCTION) No. CSM _____
15 CLAIM OF:)
16) Chapter 1, Statutes of 1984, 2nd E.S.
17) Chapter 1118, Statutes of 1987
18 **RANCHO SANTIAGO**)
19 Community College District,) Education Code Section 76355
20)
21) Health Fee Elimination
22 Claimant.)
23) Annual Reimbursement Claims:
24)
25) Fiscal Year 2000-01
26) Fiscal Year 2001-02
27) Fiscal Year 2002-03
28 _____)

29 INCORRECT REDUCTION CLAIM FILING

30 PART I. AUTHORITY FOR THE CLAIM

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

Incorrect Reduction Claim of Rancho Santiago Community College District
1/84 Health Fee Elimination

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

3 This incorrect reduction claim is timely filed. Title 2, CCR, Section 1185 (b),
4 requires incorrect reduction claims to be filed no later than three years following the
5 date of the Controller's remittance advice notifying the claimant of a reduction. A
6 Controller's audit report dated October 29, 2004, has been issued. The audit report
7 constitutes a demand for repayment and adjudication of the claims. The Controller
8 then issued on May 11, 2005, a "results of review" letter reporting the audit results for
9 the FY 2002-03 claim, which stated that the \$407,369 claimed by the District would not
10 be paid. A copy of the Controller's letter is attached as Exhibit "A." It is believed that
11 similar "results of review" letters have been issued for the other two fiscal years, but
12 copies are not available at the time of the filing of this incorrect reduction claim.

13 There is no alternative dispute resolution process available from the Controller's
14 office. In response to an audit issued March 10, 2004, Foothill-De Anza Community
15 College attempted to utilize the informal audit review process established by the
16 Controller to resolve factual disputes. Foothill-De Anza was notified by the Controller's
17 legal counsel by letter of July 15, 2004 (attached as Exhibit "B"), that the Controller's
18 informal audit review process was not available for mandate audits and that the proper
19 forum was the Commission on State Mandates. In addition, the October 29, 2004,
20 transmittal letter for the final audit directs the District to file an incorrect reduction claim
21 if the District disagrees with the audit findings.

Incorrect Reduction Claim of Rancho Santiago Community College District
1/84 Health Fee Elimination

PART II. SUMMARY OF THE CLAIM

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

<u>Fiscal Year</u>	<u>Amount Claimed</u>	<u>Audit Adjustment</u>	<u>SCO Payments</u>	<u>Amount Due <State> District</u>
2000-01*	\$393,704	\$393,704	\$43,290	\$393,704
2001-02	\$518,510	\$518,510	\$43,290	\$518,510
<u>2002-03</u>	<u>\$407,369</u>	<u>\$407,369</u>	<u>\$0</u>	<u>\$407,369</u>
Totals	\$1,319,583	\$1,319,583	\$86,580	\$86,650

* FY 2000-01 is an amended claims subject to a \$1,000 late filing penalty.

Since the District has been paid \$86,650 for these claims, the audit report concludes that the amount of \$86,650 must be paid to the State.

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.

/

**Incorrect Reduction Claim of Rancho Santiago Community College District
1/84 Health Fee Elimination**

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 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

Incorrect Reduction Claim of Rancho Santiago Community College District
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1 former 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 increased
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 student health services for which it was authorized to charge a fee pursuant to former
12 Section 72246 in the 1983-1984 fiscal year, to maintain student health services at that
13 level in the 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
16 to apply to all community college districts which provided student health services in
17 fiscal year 1986-1987 and required them to maintain that level of student health
18 services in fiscal year 1987-1988 and each fiscal year thereafter.

19 /

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."

Incorrect Reduction Claim of Rancho Santiago Community College District
1/84 Health Fee Elimination

1 3. Parameters and Guidelines

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

7 "V. REIMBURSABLE COSTS

8 A. Scope of Mandate

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

12 VI. CLAIM PREPARATION

13 B. ... 3. Allowable Overhead Cost

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

17 VII. SUPPORTING DATA

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

21 VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

22 Any offsetting savings the claimant experiences as a direct result of
23 this statute must be deducted from the costs claimed. In addition,
24 reimbursement for this mandate received from any source, e.g.,
25 federal, state, etc., shall be identified and deducted from this claim.
26 This shall include the amount of \$7.50 per full-time student per

Incorrect Reduction Claim of Rancho Santiago Community College District
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1 semester, \$5.00 per full-time student for summer school, or \$5.00
2 per full-time student per quarter, as authorized by Education Code
3 section 72246(a). This shall also include payments (fees) received
4 from individuals other than students who are not covered by
5 Education Code Section 72246 for health services. ... ”

6 4. Claiming Instructions

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

15 PART V. STATE CONTROLLER CLAIM ADJUDICATION

16 The Controller conducted an audit of the District’s annual reimbursement claims
17 for fiscal years 2000-01, 2001-02, and 2002-03. The audit concluded that none (0%) of
18 the District’s costs, as claimed, are allowable. A copy of the October 29, 2004-audit
19 report is attached as Exhibit “E.”

20 VI. CLAIMANT’S RESPONSE TO THE STATE CONTROLLER

21 The Controller issued a draft audit report on or about August 31, 2004. The
22 District responded by letter on October 6, 2004. A copy of the District’s letter is
23 attached as Exhibit “F.” The Controller then issued its final audit report on October 29,

Incorrect Reduction Claim of Rancho Santiago Community College District
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2004, without change to the adjustments as stated in the draft audit report.

PART VII. STATEMENT OF THE ISSUES

Finding 1: Unallowable salary and benefit costs

The audit report asserts that the District "overstated" employee salary and benefit costs in the amount of \$143,836 for the three fiscal years audited. The amounts and factual reasons for the adjustment by the audit report was stated as follows:

- o An employee funded by the Academic Senate totaling \$34,051.
- o Employees funded by the Partnership for Excellence I program totaling \$32,998.
- o Employees funded by the Matriculation program totaling \$33,974.
- o Unsupported costs of a school psychologist totaling \$25,989. The district used a 60% rate to allocate the employee's work time to the health services center; the time records supported only a 45% rate. "

The audit report provided the following schedule of adjustments:

	Fiscal Year			
	2000-01	2001-02	2002-03	Total
Salaries and benefits funded by:				
Academic Senate	\$ (26,602)	\$ (7,449)	\$ ___	\$ (34,051)
Partnership for Excellence I	___	(16,403)	(16,595)	(32,998)
Partnership for Excellence II	___	(10,858)	(5,966)	(16,824)
Matriculation	___	(16,500)	(17,474)	(33,974)
Psychologist's salary prorated at 60%	___	(12,874)	(13,115)	(25,989)
Total audit adjustment	\$ (26,602)	\$ (64,084)	\$ (53,150)	\$ (143,836)

The audit report asserts that the legal basis for these adjustments is that the

Incorrect Reduction Claim of Rancho Santiago Community College District
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1 "Parameters and Guidelines specifies that community college districts shall be
2 reimbursed only for costs of health services programs that are traceable to supporting
3 documentation showing evidence of the validity of such costs." This citation merely
4 asserts that reported costs must be traceable to supporting documentation and does
5 not explain why these amounts funded by other programs are unallowable. Therefore,
6 the reason stated in the audit report is not relevant to the amounts in dispute. Further,
7 the audit report citation was not accurate, the parameters and guidelines actually state:

8 "VII. SUPPORTING DATA

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

11 Partnership in Excellence Funding

12 The audit report treats the Partnership in Excellence funding as a reduction of
13 the costs claimed without citing a factual or legal reason for this treatment. The
14 parameters and guidelines state that:

15 "VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

16 Any offsetting savings the claimant experiences as a direct result of this
17 statute must be deducted from the costs claimed. In addition,
18 reimbursement for this mandate received from any source, e.g., federal,
19 state, etc., shall be identified and deducted from this claim.

20 The Partnership in Excellence program funds were not "a direct result" of the
21 statute which established the requirement to maintain the student health services
22 program, which means they cannot be used to reduce the claimed costs for the student
23 health services program. The parameters and guidelines also require that

Incorrect Reduction Claim of Rancho Santiago Community College District
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1 "reimbursement for this mandate received from any source" shall be deducted from the
2 claim. The Partnership in Excellence funds are by the statute which established these
3 funds not a reimbursement for any college program. Partnership in Excellence funds
4 are by statute a supplement to regular community college state funding, similarly
5 allocated based on FTE's, and may be applied as desired by each community college
6 as long as the use of the funds meets the goals of the Partnership in Excellence
7 program. Since these funds are not a specific reimbursement for the student health
8 services program, they cannot reduce the amounts claimed.

9 Academic Senate and Matriculation Funding

10 This funding is a reappropriation of funds from other general ledger accounts to
11 fund positions providing services to the student health services program. The funds are
12 not received by the District as a direct result of Chapter 1, Statutes of 1984, 2nd E.S.
13 and Chapter 1118, Statutes of 1987, the mandate program statutes, nor are they state
14 or federal reimbursement specifically for the student health services program.
15 Therefore, these funding sources cannot reduce the amount claimed.

16 Psychologist Allocation

17 The District allocated 60% of the costs for a psychologist to provide personal
18 needs counseling to students. Title 5, CCR, Section 54702² indicates these services

² **Section 54702, Title 5, CCR Proper Use of Funds**

The health supervision and services fee which the governing board of a district may require students to pay shall be expended only to cover the direct and indirect costs necessary to provide any, all of, or a portion of the student health programs and services approved by the governing board for offering

Incorrect Reduction Claim of Rancho Santiago Community College District
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1 are appropriate for the health services program funded by the student health services

within the district, which may include the following:

- (a) Clinical Care Services
 - (1) assessment, intervention, and referral for health service
 - (2) first aid and basic emergency care
 - (3) health appraisal
 - (4) communicable disease control

- (b) Mental Health Services
 - (1) crisis management
 - (2) short-term psychological counseling
 - (3) alcohol/drug counseling
 - (4) eating disorders counseling
 - (5) stress management
 - (6) suicide prevention
 - (7) sexual harassment/assault recovery counseling program
 - (8) mental health assessment

- (c) Support Services

A variety of services supporting the clinical and mental health efforts including, but not limited to: maintenance of health records in a confidential and ethical manner, laboratory, radiology, and/or pharmacy services.

- (d) Special Services
 - (1) health education and promotion
 - (2) teaching and research
 - (3) student insurance programs
 - (4) environmental health and safety, including illness and injury prevention programs.

The local district governing board establishing a health supervision and services fee shall decide what scope and level of services will be provided. The board policy will be available to all students.

When the burden of supporting a student health program is shared by all students through a general fee, the programs and services for which the funds are expended must be sufficiently broad to meet health care needs of the general student body. Those programs and services directed at meeting the health care needs of a select few to the exclusion of the general student body shall not be supported through student health fees.

Nothing within these provisions shall prevent an exclusive service to a select group of students or service to the college faculty or staff; however, these services must be supported from sources other than the student fee.

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1 fee. Title 5, CCR, Section 54704³, indicates that it is appropriate to prorate the cost to
2 only the portion of the cost applicable to the student health services program where the
3 expense is not exclusively for student health program, as the District did. The
4 documentation provided by the District supports the type of services provided and the
5 allocation to the student health services program. The audit report does not provide
6 any facts to the contrary.

7 Source Documentation

8 Since no reason related to the mandated activities was stated to explain the
9 disallowance of these specific employees, it appears that the entire basis of the
10 Controller's adjustments is the quantity and quality of District documentation. Contrary
11 to the assertion of the audit report, the District has complied with the parameters and
12 guidelines by providing source documents that show evidence of the validity of such
13 costs and their relationship to the state-mandated program. The salary and benefits
14 were reported in the District general ledger in the normal course of financial accounting
15 pursuant to state mandated financial accounting procedures. There are no state
16 mandated financial accounting procedures for mandate program costs because the

³ **Section 54704, Title 5, CCR. Allowable Charges.**

Those identifiable expenses incurred which directly benefit the student health service program, as defined in Section 54708, are allowable charges to the student health fund for the health services authorized by the district governing board pursuant to Section 54702. Where the expense is not exclusively for the student health program, only the prorated portion applicable to the student health service program may be charged against this fund.

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1 state has never developed or adopted standards. The Controller has never told
2 claimants the specific documents which would satisfy the Controller's standards. The
3 District has also provided employee names, positions (job titles), hours worked, salary
4 and benefit amounts, and a description of the tasks performed as they relate to this
5 mandate, and in some cases declarations. Thus, the District has provided
6 documentation generated in the usual course of business as well as generated for the
7 purpose of claiming mandate reimbursement.

8 Unreasonable or Excessive

9 None of the adjustments were made because the costs claimed were excessive
10 or unreasonable. The audit report does not assert that the claimed costs were
11 excessive or unreasonable, which is the only mandated cost audit standard in statute
12 (Government Code Section 17561(d) (2)). It would therefore appear that this finding is
13 based upon the wrong standard for review. If the Controller wishes to enforce other
14 audit standards for mandated cost reimbursement, the Controller should comply with
15 the Administrative Procedures Act.

16 **Finding 2: Unallowable services and supplies**

17 The audit report asserts that District overstated its services and supplies by
18 \$77,198 for all three fiscal years. The audit report further states "the district overstated
19 services and supplies by \$77,198 for costs funded by:

- 20 1. Partnership for Excellence I of \$16,804; and
- 21 2. Partnership for Excellence II of \$60,394.

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1 A summary of the adjustment is as follows:

	<u>Fiscal Year</u>			
	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>Total</u>
4 Services and supplies funded by:				
5 Partnership for Excellence I	\$ (16,804)	\$ _____	\$ _____	\$(16,804)
6 Partnership for Excellence II	<u>(7,386)</u>	<u>(16,832)</u>	<u>(36,176)</u>	<u>(60,394)</u>
7 Total Audit Adjustment	<u>\$ (24,190)</u>	<u>\$ (16,832)</u>	<u>\$ (36,176)</u>	<u>\$(77,198)</u>

8 The audit report rationale for these adjustments is the same as Finding 1,
 9 therefore, the District's response to Finding 2 is the same as its response to Finding 1.

10 The Partnership in Excellence funds do not qualify as a reduction of the costs claimed
 11 for the student health services program.

12 **Finding 3: Overstated indirect cost rate claimed**

13 The audit report asserts that the District overstated its indirect costs by \$570,878
 14 for all three fiscal years. This finding is based upon the report's statement that "The
 15 district claimed indirect costs based on indirect cost rate proposals (ICRPs) prepared
 16 for each fiscal year by an outside consultant. However, the district did not obtain
 17 federal approval for its ICRPs. We calculated indirect cost rates using the methodology
 18 allowed by the SCO claiming instructions. The calculated indirect cost rates did not
 19 support the indirect cost rates claimed. "

20 Federal Approval

21 The audit report also states, "the SCO's claiming instructions state that
 22 community colleges have the option of using a federally approved rate prepared in
 23 accordance with OMB Circular A-21, or the SCO's alternate methodology using Form

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1 FAM-29C.” Contrary to the Controller’s ministerial preferences, there is no requirement
2 in law that the claimant’s indirect cost rate must be “federally” approved, even if the
3 district calculates its indirect cost rate using the OMB Circular A-21 methodology.
4 Further, neither the Commission nor the Controller has ever specified the federal
5 agencies which have the authority to “approve” indirect cost rates. Also, it should be
6 noted that the Controller did not determine that the District’s rate was excessive or
7 unreasonable, just that it wasn’t federally approved.

8 Regulatory Requirements

9 No particular indirect cost rate calculation is required by law. The parameters
10 and guidelines state that “Indirect costs *may be claimed* in the manner described by the
11 Controller in his claiming instructions.” The District claimed these indirect costs “in the
12 manner” described by the Controller. The correct forms were used and the claimed
13 amounts were entered at the correct locations. Most importantly, “may” is not “shall”;
14 the parameters and guidelines do not require that indirect costs be claimed in the
15 manner described by the Controller.

16 CCFS-311

17 In fact, both the District’s method and the Controller’s FAM 29C method utilize
18 the same source document, the CCFS-311 annual financial and budget report required
19 by the state. The difference in the claimed and audited methods is in the determination
20 of which of those cost elements are direct costs and which are indirect costs. Indeed,
21 the federally “approved” rates which the Controller will accept without further action, are

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1 “negotiated” rates calculated by a district and then submitted for approval to federal
2 agencies which are the source of federal programs to which the indirect cost rate is to
3 be applied, indicating that the process is not an exact science, but a determination of
4 the relevance and reasonableness of the cost allocation assumptions made for the
5 method used.

6 Unreasonable or Excessive

7 Government Code Section 17561(d)(2) requires the Controller to pay claims,
8 provided that the Controller may audit the records of any school district to verify the
9 actual amount of the mandated costs, and may reduce any claim that the Controller
10 determines is excessive or unreasonable. The Controller is authorized to reduce a
11 claim only if it determines the claim to be excessive or unreasonable. The parameters
12 and guidelines *do not require* that indirect costs be claimed in the manner described by
13 the Controller. The Controller’s claiming instructions were never adopted as rules or
14 regulations, and therefore have no force of law. The burden is on the Controller to
15 show, either factually or as a matter of law, that the indirect cost rate method used by
16 the District is excessive or unreasonable, which is the only mandated cost audit
17 standard in statute. If the Controller wishes to enforce other audit standards for
18 mandated cost reimbursement, the Controller should comply with the Administrative
19 Procedures Act.

20 **Finding 4: Understated authorized health fee revenue claimed**

21 The audit report adjusted the reported enrollment and number of students

Incorrect Reduction Claim of Rancho Santiago Community College District
1/84 Health Fee Elimination

1 subject to payment of the health services fee which resulted in an adjustment of
2 \$796,744 for the three fiscal years. Two reasons are stated for the audit adjustments.

3 The first reason is based on the number of students from which a student health
4 services fee is collectible. The audit report states "The district used the student counts
5 from Report #1920 (selected students used for census purposes) instead of Report
6 #1365 (actual billable student count). The District reported its actual health fees
7 collected based on the count of students from which the District collected fees. The
8 audit asserts that the student count should be all students not exempted by the
9 Education Code Section.

10 The second reason is the amount of the student health services fees. The audit
11 report states that "the district underreported authorized student health fees by one
12 dollar for the summer of FY 2000-01 and all of FY 2001-02." The District claimed as a
13 revenue offset the actual fee dollar charged to students, not the fee amount which
14 could have been charged.

15 Education Code Section 76355

16 Education Code Section 76355, subdivision (a), in relevant part, provides: "The
17 governing board of a district maintaining a community college *may require* community
18 college students to pay a fee ... for health supervision and services ... " The permissive
19 nature of the provision is further illustrated in subdivision (b) which states "*If*, pursuant
20 to this Section, a fee is required, the governing board of the district shall decide the
21 amount of the fee, *if any*, that a part-time student is required to pay. *The governing*

Incorrect Reduction Claim of Rancho Santiago Community College District
1/84 Health Fee Elimination

1 *board may decide whether the fee shall be mandatory or optional.*” Therefore, there is
2 no requirement that community colleges levy these fees.

3 Parameters and Guidelines

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

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

12 In order for a district to “experience” these “offsetting savings” a district must actually
13 have collected these fees. Student health services fees actually collected must be
14 used to offset costs, but not student fees that could have been collected and were not.
15 It is irrelevant that the District may have been “authorized” to impose health service fees
16 because they are permissive. The use of the term “*any offsetting savings*” further
17 illustrates the permissive nature of the fees.

18 Government Code Section 17514

19 Nor can the Controller rely upon Government Code Section 17514 for the
20 conclusion that to the extent community college districts can charge a fee, they are not
21 required to incur a cost. Government Code Section 17514, as added by Chapter 1459,

⁴ 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 Rancho Santiago Community College District
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1 Section 1, Statutes of 1984, states:

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

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

11 Government Code Section 17556

12 Nor can the Controller rely upon Government Code Section 17556 for the
13 conclusion that there are no claimable costs mandated by the State where the
14 claimants have the authority to collect a service fee. Government Code Section 17556
15 as amended by Chapter 589, Statutes of 1989 states:

16 "The commission shall not find costs mandated by the state, as defined in
17 Section 17514, in any claim submitted by a local agency or school district, if after
18 a hearing, the commission finds any one of the following ...
19 (d) The local agency or school district has the authority to levy service
20 charges, fees, or assessments sufficient to pay for the mandated program or
21 increased level of service. ..."

22 Government Code Section 17556 prohibits the Commission on State Mandates from
23 finding costs subject to reimbursement, that is, approving a test claim activity for
24 reimbursement, where there is authority to levy fees in an amount sufficient to offset the
25 entire mandated costs. Here, the Commission, when it approved the test claim, made a
26 finding of a new program or higher level of service for which the claimants do not have

Incorrect Reduction Claim of Rancho Santiago Community College District
1/84 Health Fee Elimination

1 the ability to levy a fee in an amount sufficient to offset the entire mandated costs.

2 Health Services Fee Amount

3 The audit report concluded that since the Chancellor's Office by letter notified
4 community college districts that they may charge a fee of \$12 per semester and \$9 per
5 summer session, effective summer session 2001, it was reason for adjustment.
6 Districts receive notice of these fee amounts from the Chancellor of the California
7 Community Colleges. An example of one such notice is the Chancellor's letter dated
8 March 5, 2001, attached as Exhibit "G." While Education Code Section 76355 provides
9 for an increase in the student health service fee, it did not grant the Chancellor the
10 authority to establish mandatory fee amounts or mandatory fee increases. No state
11 agency was granted that authority by the Education Code, and no state agency has
12 exercised its rulemaking authority to establish mandatory fee amounts. It should be
13 noted that the Chancellor's letter properly states that increasing the amount of the fee is
14 at the option of the district, and that the Chancellor is not asserting that authority.
15 Therefore, the Controller cannot rely upon the Chancellor's notice as a basis to adjust
16 the claim for "collectible" student health services fees.

17 Fees Collected vs. Fees Collectible

18 This issue is one of student health fees revenue actually received, rather than
19 student health fees which might be collected. Student fees not collected are student
20 fees not "experienced" and as such should not reduce reimbursement. Further, the
21 amount "collectible" will never equal actual revenues collected due to changes in

Incorrect Reduction Claim of Rancho Santiago Community College District
1/84 Health Fee Elimination

1 student BOGG eligibility, bad debt accounts, and refunds.

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

10 **Finding 5: Understated offsetting revenues**

11 The District is not disputing this adjustment.

12 **Amounts Paid By The State**

13 This issue was not an audit finding. The payment received from the state is an
14 integral part of the reimbursement calculation. The audit report changed the FY 2000-
15 01 and FY 2001-02 claim payment amount received from the State without a finding in
16 the audit report.

	Fiscal Year of Claim		
<u>Amount Paid by the State</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
19 As Claimed	\$0	\$0	\$0
20 As Audited	\$43,290	\$43,290	\$0

Incorrect Reduction Claim of Rancho Santiago Community College District
1/84 Health Fee Elimination

1 The propriety of these adjustments cannot be determined until the Controller states the
2 reason for the change.

3 PART VIII. RELIEF REQUESTED

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

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

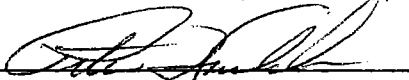
21 /

Incorrect Reduction Claim of Rancho Santiago Community College District
1/84 Health Fee Elimination

1 PART IX. CERTIFICATION

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

7 Executed on ^{Spt 24}~~October~~, 2007, at Santa Ana, California, by

8  ^{9/24/07}
9 Peter Hardash, Vice Chancellor, Business Operations and Fiscal Services
10 Rancho Santiago Community College District

11 2323 North Broadway
12 Santa Ana, CA 92706-1640
13 Voice: 714-480-7340 Fax: 714-796-3935
14 E-Mail: hardash_peter@rsccd.org

15 APPOINTMENT OF REPRESENTATIVE

16 Rancho Santiago Community College District appoints Keith B. Petersen, SixTen
17 and Associates, as its representative for this incorrect reduction claim.

18 
19 Peter Hardash, Vice Chancellor, Business Operations Date ^{9/24/07}
20 Rancho Santiago Community College District

21 Attachments:

22 Exhibit "A" Controller's letter May 11, 2005
23 Exhibit "B" Controller's Legal Counsel's Letter of July 15, 2004
24 Exhibit "C" Parameters and Guidelines as amended May 25, 1989
25 Exhibit "D" Controller's Claiming Instructions revised September 1997
26 Exhibit "E" Controller's Audit Report dated October 29, 2004
27 Exhibit "F" District's Letter of October 6, 2004
28 Exhibit "G" Chancellors Letter of March 5, 2001
29 Exhibit "H" Annual reimbursement claims



STEVE WESTLY
 California State Controller
 Division of Accounting and Reporting
 MAY 11, 2005

CC30125
 00
 26 /05/11

BOARD OF TRUSTEES
 RANCHO SANTIAGO COMM COLL DIST
 ORANGE COUNTY
 17TH ST AT BRISTOL
 SANTA ANA CA 92706

DEAR CLAIMANT:

RE: HEALTH FEE ELIMINATION (CC)

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

AMOUNT CLAIMED 407,369.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 407,369.00

TOTAL ADJUSTMENTS - 407,369.00

AMOUNT DUE CLAIMANT \$ 0.00

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

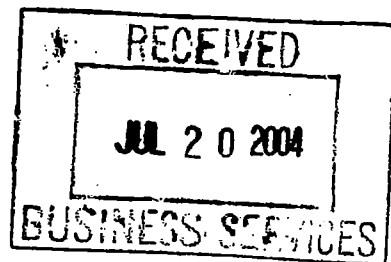
SINCERELY,

Ginny Brummels
 GINNY BRUMMELS, MANAGER

LOCAL REIMBURSEMENT SECTION
 P.O. BOX 942850 SACRAMENTO, CA 94250-5875



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 81 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.

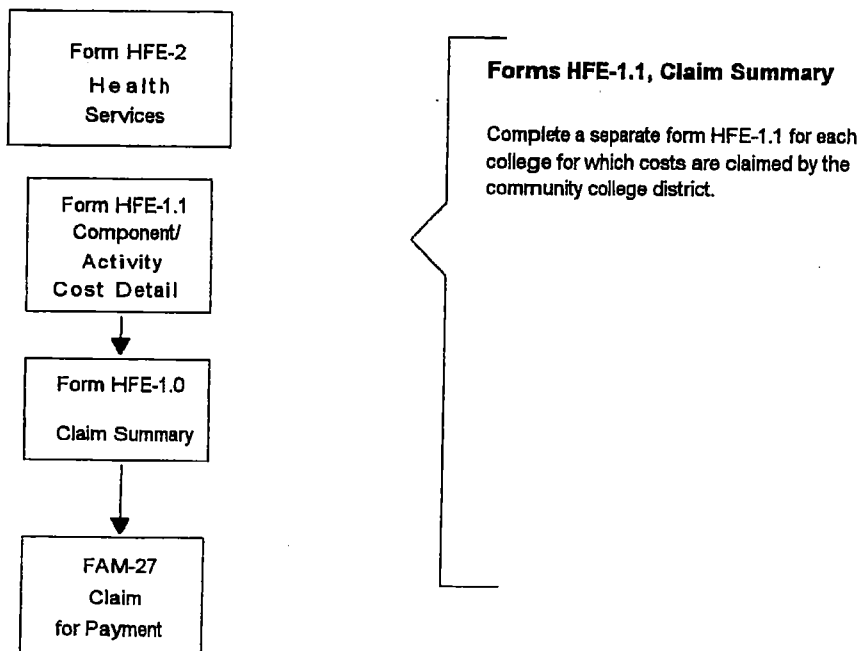
C. Form HFE-1.0, Claim Summary

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



CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 HEALTH FEE ELIMINATION	For State Controller Use Only (19) Program Number 00029 (20) Date Filed ___/___/___ (21) LRS Input ___/___/___	Program 029
--	---	---

LABEL HERE	(01) Claimant Identification Number	Reimbursement Claim Data	
	(02) Claimant Name	(22) HFE-1.0,(04)(b)	
	County of Location	(23)	
	Street Address or P.O. Box Suite	(24)	
	City State Zip Code	(25)	

Type of Claim	Estimated Claim	Reimbursement Claim		
	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>	(26)	
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(27)	
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(28)	
			(29)	
Fiscal Year of Cost	(06) 20 ___/20___	(12) 20 ___/20___	(30)	
Total Claimed Amount	(07)	(13)	(31)	
Less: 10% Late Penalty, not to exceed \$1,000		(14)	(32)	
Less: Prior Claim Payment Received		(15)	(33)	
Net Claimed Amount		(16)	(34)	
Due to Claimant	(08)	(17)	(35)	
Due to State		(18)	(36)	

(37) CERTIFICATION OF CLAIM

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

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

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

Signature of Authorized Officer _____ Date _____

 Type or Print Name _____ Title _____

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

 E-Mail Address _____

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

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

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

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

Address, if delivered by other delivery service:

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

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

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

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

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

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

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

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

(01) Claimant	(02) Type of Claim	Fiscal Year
	Reimbursement <input type="checkbox"/> Estimated <input type="checkbox"/>	19__/19__

(03) Name of College

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

LESS SAME MORE

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

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

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

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

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

Cost Reduction

(11) Less: Offsetting Savings, if applicable

(12) Less: Other Reimbursements, if applicable

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

HEALTH FEE ELIMINATION CLAIM SUMMARY Instructions	FORM HFE-1.1
--	-------------------------

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

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

MANDATED COSTS HEALTH ELIMINATION FEE HEALTH SERVICES		FORM HFE-2	
(01) Claimant:		(02) Fiscal Year costs were incurred:	
(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health services were provided by student health service fees for the indicated fiscal years.		(a) FY 1986/87	(b) FY of Claim
Child Abuse Birth Control/Family Planning Stop Smoking Library, Videos and Cassettes First Aid, Major Emergencies First Aid, Minor Emergencies First Aid Kits, Filled Immunizations Diphtheria/Tetanus Measles/Rubella Influenza Information Insurance On Campus Accident Voluntary Insurance Inquiry/Claim Administration Laboratory Tests Done Inquiry/Interpretation Pap Smears Physical Examinations Employees Students Athletes Medications Antacids Antidiarrheal Aspirin, Tylenol, Etc Skin Rash Preparations Eye Drops Ear Drops Toothache, oil cloves Stingkill Midol, Menstrual Cramps Other, list Parking Cards/Elevator Keys Tokens Return Card/Key Parking Inquiry Elevator Passes Temporary Handicapped Parking Permits			

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

RANCHO SANTIAGO 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, 2000, through June 30, 2003



STEVE WESTLY
California State Controller

October 2004



STEVE WESTLY
California State Controller

October 29, 2004

Edward Hernandez, Jr., Ed.D., Chancellor
Rancho Santiago Community College District
2323 North Broadway
Santa Ana, CA 92706

Dear Dr. Hernandez:

The State Controller's Office audited the claims filed by the Rancho Santiago 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, 2000, through June 30, 2003.

The district claimed \$1,319,583 (\$1,320,583 less a \$1,000 penalty for filing a late claim) for the mandated program. Our audit disclosed that none of the claimed costs is allowable because the district claimed unallowable costs and understated claimed revenue offsets. The State paid the district \$86,580, which the district should return.

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 website 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,

Original Signed By:

VINCENT P. BROWN
Chief Operating Officer

VPB:JVB/jj

cc: (See page 2)

cc: Mark Zakovic, Ph.D., Vice Chancellor
Business Operations and Fiscal Services
Rancho Santiago 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
Charles Pillsbury, School Apportionment Specialist
Department of Finance

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Audit Report

Summary

The State Controller's Office (SCO) audited the claims filed by the Rancho Santiago 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, 2000, through June 30, 2003. The last day of fieldwork was May 6, 2004.

The district claimed \$1,319,583 (\$1,320,583 less a \$1,000 penalty for filing a late claim) for the mandated program. Our audit disclosed that none of the claimed costs is allowable because the district claimed unallowable costs and understated claimed revenue offsets. The State paid the district \$86,580, which the district should return.

Background

Education Code Section 72246 (repealed by Chapter 1, Statutes of 1984, 2nd E.S.) authorized 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 1986-97 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, and required them to maintain that level in FY 1987-88 and each fiscal year thereafter.

Parameters and Guidelines establishes the state mandate and defines reimbursement criteria. COSM adopted the *Parameters and Guidelines* on August 27, 1987, and amended it on May 25, 1989. In compliance with *Government Code* Section 17558, the SCO issued 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, 2000, 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. Our scope was limited 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.

Conclusion

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

For the audit period, the Rancho Santiago Community College District claimed \$1,319,583 (\$1,320,583 less a \$1,000 penalty for filing a late claim) for Health Fee Elimination Program costs. Our audit disclosed that none of the claimed costs is allowable.

For FY 2000-01, the State paid the district \$43,290. Our audit disclosed that none of the costs claimed is allowable. The district should return the total amount paid to the State.

For FY 2001-02, the State paid the district \$43,290. Our audit disclosed that none of the costs claimed is allowable. The district should return the total amount to the State.

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

**Views of
Responsible
Official**

We issued a draft audit report on August 31, 2004. Noemi M. Kanouse, Assistant Vice Chancellor, Fiscal Services, responded by letter dated October 6, 2004, agreeing with the audit results except for Findings 3 and 4. The final audit report includes the district's response as the Attachment.

Restricted Use

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

Original Signed By:

JEFFREY V. BROWNFIELD
Chief, Division of Audits

**Schedule 1—
Summary of Program Costs
July 1, 2000, through June 30, 2003**

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustments	Reference ¹
<u>July 1, 2000, through June 30, 2001</u>				
Salaries and benefits	\$ 475,026	\$ 448,424	\$ (26,602)	Finding 1
Services and supplies	30,445	6,255	(24,190)	Finding 2
Indirect costs	231,338	59,245	(172,093)	Finding 3
Total health services costs	736,809	513,924	(222,885)	
Less authorized health services fees	(342,105)	(698,356)	(356,251)	Finding 4
Subtotals	394,704	(184,432)	(579,136)	
Less offsetting savings/reimbursements	—	(14,694)	(14,694)	Finding 5
Subtotals	394,704	(199,126)	(593,830)	
Less late penalty	(1,000)	(1,000)	—	
Subtotals	393,704	(200,126)	(593,830)	
Adjustment to eliminate negative balance	—	200,126	200,126	
Total costs	<u>\$ 393,704</u>	—	<u>\$ (393,704)</u>	
Less amount paid by the State		(43,290)		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ (43,290)</u>		
<u>July 1, 2001, through June 30, 2002</u>				
Salaries and benefits	\$ 666,514	\$ 602,430	\$ (64,084)	Finding 1
Services and supplies	21,435	4,603	(16,832)	Finding 2
Indirect costs	325,459	77,882	(247,577)	Finding 3
Total health services costs	1,013,408	684,915	(328,493)	
Less authorized health services fees	(494,898)	(783,201)	(288,303)	Finding 4
Subtotals	518,510	(98,286)	(616,796)	
Less offsetting savings/reimbursements	—	(14,914)	(14,914)	Finding 5
Subtotals	518,510	(113,200)	(631,710)	
Less late penalty	—	—	—	
Subtotals	518,510	(113,200)	(631,710)	
Adjustment to eliminate negative balance	—	113,200	113,200	
Total costs	<u>\$ 518,510</u>	—	<u>\$ (518,510)</u>	
Less amount paid by the State		(43,290)		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ (43,290)</u>		

Schedule 1 (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustments	Reference ¹
July 1, 2002, through June 30, 2003				
Salaries and benefits	\$ 691,832	\$ 638,682	\$ (53,150)	Finding 1
Services and supplies	44,960	8,784	(36,176)	Finding 2
Indirect costs	232,594	81,386	(151,208)	Finding 3
Total health services costs	969,386	728,852	(240,534)	
Less authorized health services fees	(562,017)	(714,207)	(152,190)	Finding 4
Subtotals	407,369	14,645	(392,724)	
Less offsetting savings/reimbursements	—	(22,116)	(22,116)	Finding 5
Subtotals	407,369	(7,471)	(414,840)	
Less late penalty	—	—	—	
Subtotals	407,369	(7,471)	(414,840)	
Adjustment to eliminate negative balance	—	7,471	7,471	
Total costs	<u>\$ 407,369</u>	—	<u>\$ (407,369)</u>	
Less amount paid by the State		—		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ —</u>		
Summary: July 1, 2000, through June 30, 2003				
Salaries and benefits	\$ 1,833,372	\$ 1,689,536	\$ (143,836)	Finding 1
Services and supplies	96,840	19,642	(77,198)	Finding 2
Indirect costs	789,391	218,513	(570,878)	Finding 3
Total health services costs	2,719,603	1,927,691	(791,912)	
Less authorized health services fees	(1,399,020)	(2,195,764)	(796,744)	Finding 4
Subtotals	1,320,583	(268,073)	(1,588,656)	
Less offsetting savings/reimbursements	—	(51,724)	(51,724)	Finding 5
Subtotals	1,320,583	(319,797)	(1,640,380)	
Less late penalty	(1,000)	(1,000)	—	
Subtotals	1,319,583	(320,797)	(1,640,380)	
Adjustment to eliminate negative balance	—	320,797	320,797	
Total costs	<u>\$ 1,319,583</u>	—	<u>\$ (1,319,583)</u>	
Less amount paid by the State		(86,580)		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ (86,580)</u>		

¹ See the Findings and Recommendations section.

Findings and Recommendations

**FINDING 1—
Unallowable salary
and benefit costs**

The district overstated salary and benefit costs by \$143,836 for the following staff:

- An employee funded by the Academic Senate totaling \$34,051.
- Employees funded by the Partnership for Excellence I program totaling \$32,998.
- Employees funded by the Partnership for Excellence II program totaling \$16,824.
- Employees funded by the Matriculation program totaling \$33,974.
- Unsupported costs of a school psychologist totaling \$25,989. The district used a 60% rate to allocate the employee’s work time to the health services center; the time records supported only a 45% rate.

A summary of the adjustment is as follows:

	Fiscal Year			Total
	2000-01	2001-02	2002-03	
Salaries and benefits funded by:				
Academic Senate	\$ (26,602)	\$ (7,449)	\$ —	\$ (34,051)
Partnership for Excellence I	—	(16,403)	(16,595)	(32,998)
Partnership for Excellence II	—	(10,858)	(5,966)	(16,824)
Matriculation	—	(16,500)	(17,474)	(33,974)
Psychologist’s salary prorated at 60%	—	(12,874)	(13,115)	(25,989)
Total audit adjustment	<u>\$ (26,602)</u>	<u>\$ (64,084)</u>	<u>\$(53,150)</u>	<u>\$ (143,836)</u>

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

Recommendation

We recommend that the district develop and implement an adequate accounting system to ensure all claimed costs are eligible.

District’s Response

The district agrees with this finding.

**FINDING 2—
Unallowable services
and supplies**

The district overstated services and supplies by \$77,198 for costs funded by:

1. Partnership for Excellence I of \$16,804; and
2. Partnership for Excellence II of \$60,394.

A summary of the adjustment is as follows:

	Fiscal Year			Total
	2000-01	2001-02	2002-03	
Services and supplies funded by:				
Partnership for Excellence I	\$ (16,804)	\$ —	\$ —	\$(16,804)
Partnership for Excellence II	(7,386)	(16,832)	(36,176)	(60,394)
Total audit adjustment	<u>\$ (24,190)</u>	<u>\$ (16,832)</u>	<u>\$ (36,176)</u>	<u>\$(77,198)</u>

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

Recommendation

We recommend that the district develop and implement an adequate accounting system to ensure all claimed costs are eligible.

District's Response

The district agrees with this finding.

**FINDING 3—
Overstated indirect
cost rate claimed**

The district overstated indirect costs by \$570,878 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 cost rates did not support the indirect cost rates claimed. The claimed and audited indirect cost rates are summarized below:

	Fiscal Year		
	2000-01	2001-02	2002-03
Allowable indirect cost rate based on total direct costs (salaries and benefits, services and supplies)	13.03%	12.83%	12.57%
Claimed indirect cost rate based on salaries and benefits	48.7%	48.83%	33.62%

Our recalculation of indirect costs is summarized below:

	Fiscal Year			Total
	2000-01	2001-02	2002-03	
Allowable direct costs claimed	\$ 454,679	\$ 607,033	\$ 647,466	
Allowable indirect cost rate	× 13.03%	× 12.83%	× 12.57%	
Allowable indirect costs	59,245	77,882	81,386	
Less claimed indirect costs	(231,338)	(325,459)	(232,594)	
Total audit adjustment	\$ (172,093)	\$ (247,577)	\$ (151,208)	\$ (570,878)

Parameters and Guidelines states that indirect costs may be claimed in the manner described by the SCO in the claiming instructions.

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.

Recommendation

We recommend that the district ensure indirect costs claimed are computed using a federally approved rate prepared in accordance with OMB Circular A-21, or the SCO’s alternate methodology using Form FAM-29C.

District’s Response

The first of these disagreements, Finding 3, relates to the calculation of the college’s Indirect Cost Rate Proposal (ICRP). The SCO alleges that the college has overstated its indirect costs by \$570,878 during the period of audit due to the fact that the rate was not federally approved. Furthermore, the SCO’s recommendation states, “We recommend that the district ensure indirect costs claimed are computed using a federally approved rate prepared in accordance with OMB Circular A-21, or the SCO’s alternate methodology using Form FAM-29C.”

The Indirect Cost Rate Proposals were prepared in accordance with the federally approved methodology as provided by OMB Circular A-21, however these rates do not have federal approval. In order for the district to obtain federal approval it must have programs or grants funded by federal dollars that require a federally approved rate, and then submit the appropriate ICRPs for approval. If the district does not have federal program dollars or grants the cognizant federal agency responsible for approving the rates will simply return the rate calculation without consideration.

Since the Parameters and Guidelines specify “. . .indirect costs may be claimed in the manner described by the SCO in the claiming instructions.” it is apparent that the SCO made the determination to only accept a federally approved rate, or the SCO’s alternative methodology, but not rates prepared in accordance with OMB Circular A-21. As a result, the SCO has established an inequity between those agencies that are able to obtain federal approval and those that are refused consideration; due to the fact the SCO’s alternative

methodology yields an average rate of only about one third of the federal methodology.

Additionally, we believe the intent of the constitution and the reimbursement process is to indemnify districts for their actual costs incurred, including direct and indirect costs. However, as a result of the SCO's restriction on the application of the federal rate methodology, two separate districts that incur identical costs will receive significantly different reimbursement. If district A is allowed to use a federally approved rate and district B is not eligible to apply for the federal rate, and is then required to use the SCO's methodology, district A could receive as much as three times or greater reimbursement for indirect costs. Since the SCO has created this inequity and districts cannot remedy it, we believe the SCO's restriction is unconstitutional. We believe it is unconstitutional for the SCO to make any determination that creates an inequity in treatment between similar agencies since the Rancho Santiago Community College District and other districts will continue to be denied their right to a federal rate consideration and approval.

SCO's Comment

The finding and recommendation remain unchanged. *Parameters and Guidelines* states that indirect costs may be claimed in the manner described by the SCO's claiming instructions, which state community college districts 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. The district claimed indirect costs using an indirect cost rate that was not approved by a federal agency. Therefore, the district must compute indirect costs using Form FAM 29C.

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

The district understated authorized health fee revenue by \$796,744 for the audit period.

The district used the student counts from Report #1920 (selected students used for census purposes) instead of Report #1365 (actual billable student count). In addition, the district underreported authorized student health fees by one dollar for the summer of FY 2000-01 and all of FY 2001-02. Using Report #1365, we recalculated offsetting health fees for each year as follows:

	<u>Fall</u>	<u>Spring</u>	<u>Summer</u>	<u>Total</u>
<u>FY 2000-01</u>				
Claimed net student enrollment	13,172	13,551	6,019	
Claimed authorized student health fee	× \$11	× \$11	× \$8	
Claimed authorized health fees	<u>\$ 144,892</u>	<u>\$ 149,061</u>	<u>\$ 48,152</u>	
Actual student enrollment	33,279	40,202	17,376	
Health fee exemption	<u>(9,664)</u>	<u>(10,253)</u>	<u>(5,248)</u>	
Actual net student enrollment	23,615	29,949	12,128	
Actual authorized student health fee	× \$11	× \$11	× \$9	
Actual authorized health fees	<u>\$ 259,765</u>	<u>\$ 329,439</u>	<u>109,152</u>	
Audit adjustment, FY 2000-01	<u>\$ (114,873)</u>	<u>\$(180,378)</u>	<u>\$(61,000)</u>	\$(356,251)

	Fall	Spring	Summer	Total
FY 2001-02				
Claimed net student enrollment	18,333	19,017	10,506	
Claimed authorized student health fee	× \$11	× \$11	× \$ 8	
Claimed authorized health fees	<u>\$ 201,663</u>	<u>\$ 209,187</u>	<u>\$ 84,048</u>	
Actual student enrollment	37,521	39,991	18,651	
Health fee exemption	<u>(10,825)</u>	<u>(11,033)</u>	<u>(5,834)</u>	
Actual net student enrollment	26,696	28,958	12,817	
Actual authorized student health fee	× \$12	× \$12	× \$ 9	
Actual authorized health fees	<u>\$ 320,352</u>	<u>\$ 347,496</u>	<u>\$115,353</u>	
Audit adjustment, FY 2001-02	<u>\$ (118,689)</u>	<u>\$(138,309)</u>	<u>\$(31,305)</u>	(288,303)
FY 2002-03				
Claimed net student enrollment	20,402	20,330	8,137	
Claimed authorized student health fee	× \$12	× \$12	× \$ 9	
Claimed authorized health fees	<u>\$ 244,824</u>	<u>\$ 243,960</u>	<u>\$ 73,233</u>	
Actual student enrollment	37,370	37,226	14,736	
Health fee exemption	<u>(11,082)</u>	<u>(11,169)</u>	<u>(5,173)</u>	
Actual net student enrollment	26,288	26,057	9,563	
Actual authorized student health fee	× \$12	× \$12	× \$ 9	
Actual authorized health fees	<u>\$ 315,456</u>	<u>\$ 312,684</u>	<u>\$ 86,067</u>	
Audit adjustment, FY 2002-03	<u>\$ (70,632)</u>	<u>\$(68,724)</u>	<u>\$(12,834)</u>	(152,190)
Total audit adjustment				<u>\$(796,744)</u>

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

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

Recommendation

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

District's Response

The second of these disagreements, Finding 4, relates to the student counts used to compute the offsetting health fees. The rationale [sic] used to make the determination of the students to include in the counts was based upon the district's interpretation of the intent of the mandate. The Rancho Santiago Community College District believes the intent of the mandate is to provide students with the same level of services offered during the year of implementation (fiscal year 1986/87) for a fee that cannot exceed statutory rates to insure students have access to health care.

Rancho Santiago Community College District contracts with many local police and fire departments to administer their academy programs. The academy programs are for the continuing education of police and fire professionals who are employed by local government agencies. Since the majority of the academy students have employer paid full medical benefits, and would have no use for the college's health centers, the district believed it would be redundant to require those employers to pay a health fee for their employees. Additionally, the majority of the academy training is held off campus, so the students would not be in immediate geographic proximity to the campus based health centers.

In addition, the nurses in charge of each health center have stated that by using the student information system they verify that each student who comes to the health center is currently enrolled and has paid their health fee. If the student does not meet the criteria then the student is denied service.

Since the academy students do not contribute to the cost of the program, we believe it is not appropriate to offset the costs of this program with a fee authority applied to the academy students. Rancho Santiago Community College District serves the largest number of academy students in Southern California, and has always done so as a public service. We feel to be penalized for providing this service to public safety officers and agencies would be a contradiction to the intent of the mandate, and furthermore would fail to indemnify the district for its true costs of complying with the mandate. If the district is not properly indemnified it would be unconstitutional.

SCO's Comment

The finding and recommendation remain unchanged. 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 requirements for mandated costs as defined by *Government Code* Section 17514. In essence, health services costs recoverable through an authorized fee are not costs that the district is required to incur. Moreover, *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 the authority to levy fees to pay for the mandated program or increased level of service.

**FINDING 5—
Understated offsetting
revenues**

The district understated offsetting revenues by \$51,724 because it did not deduct clinical receipts recorded in revenue account 7752.

A summary of the understated offsetting revenues is as follows:

	Fiscal Year			Total
	2000-01	2001-02	2002-03	
Audit adjustment	<u>\$(14,694)</u>	<u>\$(14,914)</u>	<u>\$(22,116)</u>	<u>\$(51,724)</u>

Parameters and Guidelines specifies that any offsetting savings or reimbursements received by the district from any source as a result of the mandate must be identified and deducted so that only net district health services costs are claimed.

Recommendation

We recommend that the district ensure all applicable revenues are offset on its claims against its mandated program costs.

District's Response

The district agrees with this finding.

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



RANCHO SANTIAGO

COMMUNITY COLLEGE DISTRICT

Santa Ana College • Santiago Canyon College

2323 North Broadway

Santa Ana, California

92706-1640

(714) 480-7300

October 6, 2004

Mr. Jim Spano
State Controller's Office
Division of Audits
P.O. Box 942850
Sacramento, CA 94250

Re: Rancho Santiago Community College District
Health Fee Elimination Program Audit Response

Dear Mr. Spano:

Thank you for extending our response time from September 24, 2004 to October 11, 2004. Our findings to the State Controller's Office (SCO) Health Fee Elimination Program Audit are included in this letter as follows:

The Rancho Santiago Community College District has a strong disagreement with two of the findings in the State Controller's Draft Audit Report for the Health Fee Elimination Program dated August 31, 2004. The disagreements relate to Finding 3, "Overstated indirect cost rate claimed", and Finding 4 "Understated authorized health fee revenue claimed".

The first of these disagreements, Finding 3, relates to the calculation of the college's Indirect Cost Rate Proposal (ICRP). The SCO alleges that the college has overstated its indirect costs by \$570,878 during the period of audit due to the fact that the rate was not federally approved. Furthermore, the SCO's recommendation states, "We recommend that the district ensure indirect costs claimed are computed using a federally approved rate prepared in accordance with OMB Circular A-21, or the SCO's alternate methodology using Form FAM-29C."

The Indirect Cost Rate Proposals were prepared in accordance with the federally approved methodology as provided by OMB Circular A-21, however these rates do not have federal approval. In order for the district to obtain federal approval it must have programs or grants funded by federal dollars that require a federally approved rate, and then submit the appropriate ICRPs for approval. If the district does not have federal program dollars or grants the cognizant federal agency responsible for approving the rates will simply return the rate calculation without consideration.

Board of Trustees:

Alfredo M. Amezcua, J.D. • Brian E. Conley, M.A. • John R. Hanna, J.D. • Lawrence R. "Larry" Labrado • Michael N. O'Neill • Lisa Woolery • Phillip E. Yarbrough
Edward Hernandez, Jr., Ed.D., Chancellor

Since the Parameters and Guidelines specify "...indirect costs may be claimed in the manner described by the SCO in the claiming instructions." it is apparent that the SCO made the determination to only accept a federally approved rate, or the SCO's alternative methodology, but not rates prepared in accordance with OMB Circular A-21. As a result, the SCO has established an inequity between those agencies that are able to obtain federal approval and those that are refused consideration; due to the fact the SCO's alternative methodology yields an average rate of only about one third of the federal methodology.

Additionally, we believe the intent of the constitution and the reimbursement process is to indemnify districts for their actual costs incurred, including direct and indirect costs. However, as a result of the SCO's restriction on the application of the federal rate methodology, two separate districts that incur identical costs will receive significantly different reimbursement. If district A is allowed to use a federally approved rate and district B is not eligible to apply for the federal rate, and is then required to use the SCO's methodology, district A could receive as much as three times or greater reimbursement for indirect costs. Since the SCO has created this inequity and districts cannot remedy it, we believe the SCO's restriction is unconstitutional. We believe it is unconstitutional for the SCO to make any determination that creates an inequity in treatment between similar agencies since the Rancho Santiago Community College District and other districts will continue to be denied their right to a federal rate consideration and approval.

The second of these disagreements, Finding 4, relates to the student counts used to compute the offsetting health fees. The rationale used to make the determination of the students to include in the counts was based upon the district's interpretation of the intent of the mandate. The Rancho Santiago Community College District believes the intent of the mandate is to provide students with the same level of services offered during the year of implementation (fiscal year 1986/87) for a fee that cannot exceed statutory rates to insure students have access to health care.

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In addition, the nurses in charge of each health center have stated that by using the student information system they verify that each student who comes to the health center is currently enrolled and has paid their health fee. If the student does not meet the criteria then the student is denied service.

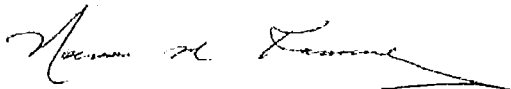
Since the academy students do not contribute to the cost of the program, we believe it is not appropriate to offset the costs of this program with a fee authority applied to the

academy students. Rancho Santiago Community College District serves the largest number of academy students in Southern California, and has always done so as a public service. We feel to be penalized for providing this service to public safety officers and agencies would be a contradiction to the intent of the mandate, and furthermore would fail to indemnify the district for its true costs of complying with the mandate. If the district is not properly indemnified it would be unconstitutional.

In conclusion, the Rancho Santiago Community College District respectfully requests the SCO reverse its findings related to the overstatement of indirect costs, and those findings related to the student count that pertain to the academy students.

If you need any additional information, please do not hesitate to call.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Noemi M. Kanouse", with a long, sweeping underline that extends to the right.

Noemi M. Kanouse
Assistant Vice Chancellor, Fiscal Services
714-480-7320

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

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



RANCHO SANTIAGO

COMMUNITY COLLEGE DISTRICT

Santa Ana College • Santiago Canyon College

James Spano
916-321-1121

2323 North Broadway
Santa Ana, California
92706-1640
(714) 480-7300

October 6, 2004

Mr. Jim Spano
State Controller's Office
Division of Audits
P.O. Box 942850
Sacramento, CA 94250

Re: Rancho Santiago Community College District
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The Indirect Cost Rate Proposals were prepared in accordance with the federally approved methodology as provided by OMB Circular A-21, however these rates do not have federal approval. In order for the district to obtain federal approval it must have programs or grants funded by federal dollars that require a federally approved rate, and then submit the appropriate ICRPs for approval. If the district does not have federal program dollars or grants the cognizant federal agency responsible for approving the rates will simply return the rate calculation without consideration.

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The second of these disagreements, Finding 4, relates to the student counts used to compute the offsetting health fees. The rationale used to make the determination of the students to include in the counts was based upon the district's interpretation of the intent of the mandate. The Rancho Santiago Community College District believes the intent of the mandate is to provide students with the same level of services offered during the year of implementation (fiscal year 1986/87) for a fee that cannot exceed statutory rates to insure students have access to health care.

Rancho Santiago Community College District contracts with many local police and fire departments to administer their academy programs. The academy programs are for the continuing education of police and fire professionals who are employed by local government agencies. Since the majority of the academy students have employer paid full medical benefits, and would have no use for the college's health centers, the district believed it would be redundant to require those employers to pay a health fee for their employees. Additionally, the majority of the academy training is held off campus, so the students would not be in immediate geographic proximity to the campus based health centers.

In addition, the nurses in charge of each health center have stated that by using the student information system they verify that each student who comes to the health center is currently enrolled and has paid their health fee. If the student does not meet the criteria then the student is denied service.

Since the academy students do not contribute to the cost of the program, we believe it is not appropriate to offset the costs of this program with a fee authority applied to the

academy students. Rancho Santiago Community College District serves the largest number of academy students in Southern California, and has always done so as a public service. We feel to be penalized for providing this service to public safety officers and agencies would be a contradiction to the intent of the mandate, and furthermore would fail to indemnify the district for its true costs of complying with the mandate. If the district is not properly indemnified it would be unconstitutional.

In conclusion, the Rancho Santiago Community College District respectfully requests the SCO reverse its findings related to the overstatement of indirect costs, and those findings related to the student count that pertain to the academy students.

If you need any additional information, please do not hesitate to call.

Sincerely yours,



Noemi M. Kanouse
Assistant Vice Chancellor, Fiscal Services
714-480-7320

**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

I:\Fisc\FiscUnit\01StudentHealthFees\011StuHealthFees.doc

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

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

Program
029

CLIENT

(01) Claimant Identification Number S30125		Reimbursement Claim Data	
(02) Claimant Name Rancho Santiago Comm Coll Dist		(22) HFE-1.0,(04)(b)	
County of Location Orange		(23)	
Street Address or P.O. Box 2323 North Broadway		(24)	
City Santa Ana	State CA	Zip Code 92706-1640	(25)
Type of Claim	Estimated Claim	Reimbursement Claim	(26)
	(03) Estimated <input checked="" type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(27)
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28)
	(05) Amended <input type="checkbox"/>	(11) Amended <input checked="" type="checkbox"/>	(29)
Fiscal Year of Cost	(06) 2001-2002	(12) 2000-2001	(30)
Total Claimed Amount	(07) \$150,000	(13) \$394,704	(31)
LESS: 10% Late Penalty, not to exceed \$1000	(14)	\$1,000	(32)
LESS: Prior Claim Payment Received	(15)		(33)
Net Claimed Amount	(16)	\$393,704	(34)
Due from State	(08) \$150,000	(17) \$393,704	(35)
Due to State		(18)	(36)

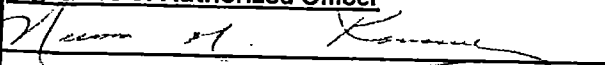
Amended copy

(37) CERTIFICATION OF CLAIM

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

The amounts for Estimated 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

Noemi M. Kanouse
 Type or Print Name

Date
 2/19/02
Executive Director, Fiscal Services
 Title
(949) 440-0845
 Telephone Number
chrisheureux@maximus.com
 E-Mail Address

(38) Name of Contact Person for Claim
Chris L'Heureux (MAXIMUS)

Program 032	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.0
------------------------------	--	-------------------------

(01) Claimant: Rancho Santiago Comm Coll Dist	(02) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2000-2001
---	---	--------------------------

(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. Rancho Santiago Community College District	394,704
2.	
3.	
4.	
5.	
6.	
7.	
8.	
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10.	
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19.	
20.	
21.	

(04) Total Amount Claimed	[Line (3.1b) + line (3.2b) + line (3.3b) + ...line (3.21b)]
----------------------------------	---

Program 032	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.1
------------------------------	--	-------------------------

(01) Claimant: Rancho Santiago Comm Coll Dis	(2) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2000-2001
--	--	--------------------------

(3) Name of College

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

LESS SAME MORE

	Direct Cost	Indirect Cost	Total
(05) Cost of health services for the fiscal year of claim	\$505,471	\$231,338	\$736,809
(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)]	\$505,471	\$231,338	\$736,809

(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	5690	7482	\$11.00	\$62,590	\$11.00	\$82,302	\$144,892
2. Per spring semester	5605	7946	\$11.00	\$61,655	\$11.00	\$87,406	\$149,061
3. Per summer session	333	5686	\$8.00	\$2,664	\$8.00	\$45,488	\$48,152
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)]	\$342,105
(10) Sub-total	[Line (07) - line (09)]	\$394,704

Cost Reduction

(11) Less: Offsetting Savings, if applicable	
(12) Less: Other Reimbursements, if applicable	
(13) Total Amount Claimed	\$394,704

Program 032	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES		FORM HFE-2
(01) Claimant: Rancho Santiago Comm Coll Dist	(02) Fiscal Year Costs Were Incurred		2000-2001
(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			
Appointments			
College Physician, surgeon	X	X	
Dermatology, Family practice	X	X	
Internal Medicine	X	X	
Outside Physician	X	X	
Dental Services	X	X	
Outside Labs, (X-ray, etc.,)	X	X	
Psychologist, full service	X	X	
Cancel/Change Appointment	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	
Neralgic	X	X	
Orthopedic	X	X	
Genito/Urinary	X	X	
Dental			
Gastro-Intestinal	X	X	
Stress Counseling	X	X	
Crisis Intervention	X	X	
Child Abuse Reporting and Counseling	X	X	
Substance Abuse Identification and Counseling	X	X	
Acquired Immune Deficiency Syndrome			
Eating Disorders	X	X	
Weight Control	X	X	
Personal Hygiene	X	X	
Burnout	X	X	
Other Medical Problems, list	X	X	
Examinations, minor illnesses			
Recheck Minor Injury	X	X	
Health Talks or Fairs, Infomation			
Sexually Transmitted Disease	X	X	
Drugs	X	X	
Acquired Immune Deficiency Syndrome		X	
Chiid Abuse	X	X	

Program 032	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES	FORM HFE-2
----------------------------------	--	-----------------------------

(01) Claimant: Rancho Santiago Comm Coll Dist	(02) Fiscal Year Costs Were Incurred 2000-2001
---	--

(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
Child Abuse	X	X
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	X
Influenza		
Infomation	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	X	X
Physical Examinations		
Employees		
Students		
Athletes		
Medications		
Anatacids	X	X
Antidiarrheal	X	X
Aspirin, Tylenol, etc.,	X	X
Skin Rash Preparations	X	X
Eye Drops	X	X
Ear Drops	X	X
Toothache, oil cloves	X	X
Stingkill	X	X
Midol, Menstrual Cramps	X	X
Other, list	X	X
Parking Cards/Elevator Keys		
Tokens		
Return Card/Key		
Parking Inquiry		
Elevator Passes		
Temporary Handicapped Parking Permits		

Mandated Cost Data Collection Form
 Health Fee Elimination
 2000-2001

Rancho Santiago Community College District

*Number of Students Enrolled
 (Unduplicated Head Count)*

	Full Time	Part Time
Fall 2000	5,690	31,665
Spring 2001	5,605	37,981
Summer 2001	333	25,867

= 37,300

*Number of Health Fee waivers
 Students
 All*

Fall 2000	24,183
Spring 2001	30,035
Summer 2001	20,181

= 13,172

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 HEALTH FEE ELIMINATION	For State Controller Use Only (19) Program Number 00234 (20) Date Filed ___/___/___ (21) LRS Input ___/___/___	Program 234
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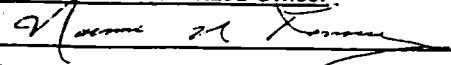
(01) Claimant Identification Number S30125		Reimbursement Claim Data	
(02) Claimant Name Rancho Santiago Comm Coll Dist		(22) HFE-1.0,(04)(b)	407,369
County of Location Orange		(23)	
Street Address or P.O. Box 2323 North Broadway		(24)	
City Santa Ana	State CA	Zip Code 92706-1640	(25)
Type of Claim:	Estimated Claim	Reimbursement Claim	(26)
	(03) Estimated <input checked="" type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(27)
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28)
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29)
Fiscal Year of Cost	(06) 2003-2004	(12) 2002-2003	(30)
Total Claimed Amount	(07) \$400,000	(13) \$407,369	(31)
LESS: 10% Late Penalty, not to exceed \$1000		(14)	(32)
LESS: Prior Claim Payment Received		(15)	(33)
Net Claimed Amount		(16) 407,369	(34)
Due from State	(08)	(17) 407,369	(35)
Due to State		(18) 407,369	(36)

(37) CERTIFICATION OF CLAIM

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

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

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

Signature of Authorized Officer


Date
12/18/03

Noemi Kanouse
 Type or Print Name

Assistant Vice Chancellor
 Title

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

(949) 440-0845
 Telephone Number
jamesrobbins@maximus.com
 E-Mail Address

<div style="border: 1px solid black; padding: 2px;"> Program 234 </div>	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.0
--	--	-------------------------

(01) Claimant: Rancho Santiago Comm Coll Dist	(02) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2002-2003
--	--	---------------------------------

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

(a) Name of College	(b) Claimed Amount
1. Rancho Santiago Community College District	\$407,369
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	
13.	
14.	
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16.	
17.	
18.	
19.	
20.	
21.	
(04) Total Amount Claimed	\$407,369

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

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.1
------------------------------	--	-------------------------

(01) Claimant: Rancho Santiago Comm Coll Dis	(2) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2002-2003
--	--	------------------------------

(3) Name of College

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

LESS SAME MORE

	Direct Cost	Indirect Cost	Total
(05) Cost of health services for the fiscal year of claim	\$736,792	\$232,594	\$969,386
(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)]	\$736,792	\$232,594	\$969,386

(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	8853	11549	\$12	\$106,236	\$12	\$138,588	\$244,824
2. Per spring semester	8691	11639	\$12	\$104,292	\$12	\$139,668	\$243,960
3. Per summer session	156	7981	\$9	\$1,404	\$9	\$71,829	\$73,233
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)]	\$562,017
(10) Sub-total	[Line (07) - line (09)]	\$407,369

Cost Reduction

(11) Less: Offsetting Savings, if applicable		
(12) Less: Other Reimbursements, if applicable		
(13) Total Amount Claimed	[Line (10) - (line (11) + line (12))]	\$407,369

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES		FORM HFE-2
(01) Claimant: Rancho Santiago Comm Coll Dist	(02) Fiscal Year Costs Were Incurred		2002-2003
(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim	
Accident Reports			
Appointments			
College Physician, surgeon	X	X	
Dermatology, Family practice	X	X	
Internal Medicine	X	X	
Outside Physician	X	X	
Dental Services	X	X	
Outside Labs, (X-ray, etc.,)	X	X	
Psychologist, full service	X	X	
Cancel/Change Appointment	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	
Neratic	X	X	
Orthopedic	X	X	
Genito/Urinary	X	X	
Dental			
Gastro-Intestinal	X	X	
Stress Counseling	X	X	
Crisis Intervention	X	X	
Child Abuse Reporting and Counseling	X	X	
Substance Abuse Identification and Counseling	X	X	
Acquired Immune Deficiency Syndrome			
Eating Disorders	X	X	
Weight Control	X	X	
Personal Hygiene	X	X	
Burnout	X	X	
Other Medical Problems, list	X	X	
Examinations, minor illnesses			
Recheck Minor Injury	X	X	
Health Talks or Fairs, Information			
Sexually Transmitted Disease	X	X	
Drugs	X	X	
Acquired Immune Deficiency Syndrome			
Child Abuse	X	X	

	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES	FORM HFE-2
---	--	-----------------------------

(01) Claimant: Rancho Santiago Comm Coll Dist	(02) Fiscal Year Costs Were Incurred	2002-2003
---	--------------------------------------	-----------

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

Program 234	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES	FORM HFE-2
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(01) Claimant: Rancho Santiago Comm Coll Dist	(02) Fiscal Year Costs Were Incurred
	2002-2003

(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim
Referrals to Outside Agencies		
Private Medical Doctor	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		
Urinalysis		
Hemoglobin		
EKG		
Strep A Testing		
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	X	X
Wart Removal	X	X
Others, list		
Committees		
Safety	X	X
Environmental	X	X
Disaster Planning	X	X
Skin Rash Preparations		
Eye Drops		

Mandated Cost Data Collection Form
 Health Fee Elimination
 2002-2003

Prepared 11-13-03

Rancho Santiago Community College District

Number of Students Enrolled
 (Unduplicated Head Count) from Irene.

	Full Time	Part Time
Fall 2002	8,853	37,227
Spring 2003	8,691	34,081
Summer 2003	156	19,581

and present report with PT/FT ratios based on above data

requires to James

Number of Health Fee Waivers
 Students
 All

Fall 2002	ER 1920 Boys + other (Boys)	25,678
Spring 2003		22,442
Summer 2003		11,600

exempt + waived
 from
 SR 1920

Mandated Cost Data Collection Form
 Health Fee Elimination
 2002-2003

Count/Census/Irene

<u>PT-FT</u>	<u>FT</u>	<u>PT</u>
Fall	6,615	27,817
Spring	6,591	25,846
Summer	113	14,153

Irene's data

Ratio/PT-FT

Fall	0.19	0.81
Spring	0.20	0.80
Summer	0.01	0.99

*Irene
 % FT → PT*

Ratio Applied to SR 1920

Figures to James

Fall 46,080 SR1920	8,853	37,227
Spring 42,772 SR 1920	8,691	34,081
Summer 19,737 SR1920	156	19,581

*"Total"
 off SR 1920*

Mandated Cost Data Collection Form Health Fee Elimination 2002-2003

Number of Students Enrolled (Unduplicated Head Count)

SR0830
District
Report

	Full Time	Part Time
Fall 2002	6,615	27,817
Spring 2003	6,591	25,846
Summer 2002-2003	113	14,153

SR0740 6/26/03

Number of BOGG waiver Students

	All
Fall 2002	
Spring 2003	
Summer 2002-2003	



Rancho Santiago CCD

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
2002-2003 HEALTH FEES REPORT**

Figures From SR 1920

	<u># WHO PAID HEALTH FEES</u>	<u># EMEMPT ** OTH THAN BOGG</u>	<u>(waived) # OF BOGG EXEMPTIONS</u>	TOTAL
FALL 2002	18,419	17,309	8,369	44,097
SPRING 2003	13,572	14,025	8,417	36,014
SUMMER 2003	4,520	7,470	4,130	16,120
Total	36,511	38,804	20,916	96,231

** See breakdown on next page

2002-2003 Health Fee Exemptions Other Than BOGS

	WKEND	PSRV	STAFF	TV	XMPT	APRN	FIRE	PLCE	0 UNIT	TOTAL
FALL 2002	763	1,249	-	132	25	2,658	7,218	3,325	1,939	17,309
SPRING 2003	1,024	1,087	-	167	26	2,407	5,179	2,916	1,219	14,025
SUMMER 2003	419	-	-	114	33	1,620	3,898	931	455	7,470
TOTAL	2,206	2,336	-	413	84	6,685	16,295	7,172	3,613	38,804

2003

SITE	F E E S										E X E M P T										W A I V E D									
	REQD	VOL	\$DUE	NONE	PSRV	STAF	TV	XMPT	APRN	FIRE	PLCE	OUNIT	AFDC	SSI	GENAST	VET	MCDONL	JTTPA	INCDME	CRED	BOGG	WAVD								
SS	3,268	445	157,611	0	0	0	21	0	0	149	73	125	1	5	0	0	0	2,233	0	438	58									
OC	0	261	2,533	135	0	0	12	0	194	10	15	0	1	0	0	0	0	490	0	118	3									
SS&OC	259	118	0	113	0	0	22	0	0	84	9	8	0	1	0	0	0	233	0	53	3									
OTHER	57	112	4,135	284	0	1	1,604	3,898	798	28	2	4	0	2	0	0	0	177	0	58	10									
TOTAL	3,584	936	161,4,392	419	0	0	114	33,13,898	931	455	94	152	1	9	0	0	0	3,133	0	667	74									

TOTAL PAID=4,520 TOTAL EXEMPT=7,470 TOTAL WAIVED=4,130
 TOTAL STUDENTS SELECTED=19,737

THE FOLLOWING INDICATES MULTIPLE EXEMPTIONS AND/OR OTHER REASONS:

SITE	F E E S										E X E M P T										W A I V E D									
	REQD	VOL	\$DUE	NONE	PSRV	STAF	TV	XMPT	APRN	FIRE	PLCE	OUNIT	AFDC	SSI	GENAST	VET	MCDONL	JTTPA	INCDME	CRED	BOGG	WAVD								
SS	3,268	445	157,611	0	0	0	30	0	148	262	73	125	1	5	0	0	0	2,233	0	438	58									
OC	0	261	2,533	145	0	0	40	0	348	10	15	0	1	0	0	0	0	490	0	118	3									
SS&OC	259	118	0	113	0	0	43	0	235	9	8	0	1	0	0	0	0	233	0	53	3									
OTHER	57	112	4,135	346	0	5	2,300	5,855	910	63	2	4	0	2	0	0	0	177	0	58	10									
TOTAL	3,584	936	161,4,392	491	0	0	205	73,6,855	1,071	908	94	152	1	9	0	0	0	3,133	0	667	74									

TOTAL EXEMPT=12,073

SITE: SS = SANTA ANA CAMPUS ONLY
 OC = ORANGE CAMPUS ONLY
 SS&OC = SANTA ANA AND ORANGE CAMPUSES ONLY
 OTHER = SANTA ANA AND/OR ORANGE AND/OR OTHER CAMPUS(ES)
 FEES: REQD = FEE REQUIRED AND PAID. INCLUDES CLASSES DROPPED LATE
 VOL = FEE PAID VOLUNTARILY. WAIVED AND/OR EXEMPT REQUIREMENT MET
 \$DUE = FEE REQUIRED AND PAYMENT DUE
 NONE = NO FEE REQUIRED
 EXEMPT = NO FEE PAID AND NO HEALTH SERVICES PROVIDED
 WAIVED = NO FEE PAID, BUT HEALTH SERVICES PROVIDED

F E E S		E X E M P T										W A I V E D									
SITE	RECD VOL	\$DUE	WKEND	PSRV	STAF	TV	XMPT	APRN	FIRE	PLCE	UNIT	AFDC	SSI	GENAST	VET	MCDGNL	JTPA	INCOME	CRED	BOGG	WAVD
SS	8,520	259	394	0	0	86	17	0	0	84	468	151	274	5	7	0	0	5,011	0	739	48
	4,716	1,249																			
OC	0	0	145	0	0	0	0	0	0	1,095		15	28	0	4	0	0	515	0	200	4
	1,614	3,870																			
SS80C	1,229	852	3	193	0	39	0	0	0	149		23	28	0	3	0	0	607	0	182	5
	764	17	152	1,249	0	7	8	7,238	227			13	9	0	2	0	0	321	0	148	27
	724	4,298						2,658	3,241												
TOTAL	10,513	279	763	1,249	0	132	25	7,218	1,939			202	339	5	16	0	0	6,454	0	1,269	84
	7,906	9,610						3,325													

TOTAL STUDENTS SELECTED 46 (300%) TOTAL PAID=8,419 TOTAL EXEMPT=17,309 TOTAL WAIVED=8,369

THE FOLLOWING INDICATES MULTIPLE EXEMPTIONS AND/OR OTHER REASONS:

F E E S		E X E M P T										W A I V E D									
SITE	RECD VOL	\$DUE	WKEND	PSRV	STAF	TV	XMPT	APRN	FIRE	PLCE	UNIT	AFDC	SSI	GENAST	VET	MCDGNL	JTPA	INCOME	CRED	BOGG	WAVD
SS	8,520	259	588	0	0	196	19	0	0	95	776	151	274	5	7	0	0	5,011	0	739	48
	4,716	1,249																			
OC	0	0	166	0	0	0	0	0	0	1,959		15	28	0	4	0	0	515	0	200	4
	1,614	3,870																			
SS80C	1,229	852	139	0	0	97	0	0	0	469		23	28	0	3	0	0	607	0	182	5
	764	17	258	2,045	0	21	10	12,475	413			13	9	0	2	0	0	321	0	148	27
	724	4,298						4,305													
TOTAL	10,513	279	763	1,155	2,045	0	314	29	12,475	3,617		202	339	5	16	0	0	6,454	0	1,269	84
	7,906	9,610						4,400													

TOTAL EXEMPT=28,579

SITE: SS = SANTA ANA CAMPUS ONLY
 OC = ORANGE CAMPUS ONLY
 SS80C = SANTA ANA AND ORANGE CAMPUSES ONLY
 OTHER = SANTA ANA AND/OR ORANGE AND/OR OTHER CAMPUS(ES)

FEES: RECD = FEE REQUIRED AND PAID, INCLUDES CLASSES DROPPED LATE
 VOL = FEE PAID VOLUNTARILY, WAIVED AND/OR EXEMPT REQUIREMENT MET
 \$DUE = FEE REQUIRED AND PAYMENT DUE
 NONE = NO FEE REQUIRED

EXEMPT = NO FEE PAID AND NO HEALTH SERVICES PROVIDED
 WAIVED = NO FEE PAID, BUT HEALTH SERVICES PROVIDED

SITE	F E E S				E X E M P T										W A I V E D								
	REQD	VOL	\$DUE	NONE	WKEND	PSRV	STAF	TV	XMPT	FIRE	PLCE	OUNIT	AFDC	SSI	GENAST	VET	MCDONL	JTPA	INCOME	CRED	BOGG	WAVD	
SS	8,314		368		410	0	0	112	24	0	0	98	147	285	6	12	0	0	5,047	0	772		61
DC	0	868	4,297	0	135	0	0	1	8	25	5	746	15	23	0	3	0	0	467	0	190		2
SS&OC	1,337	345	7	157	61	0	0	51	1	0	0	119	24	29	0	4	0	0	669	0	171		7
OTHER	720	412	57	3,981	418	1,087	0	4	2,399	5,154	2,813	111	7	8	0	6	0	0	324	0	128		10
TOTAL	10,371	3,201	442	9,517	1,024	1,087	0	167	25	5,179	2,916	1,219	193	345	6	25	0	0	6,507	0	1,261		80
TOTAL STUDENTS SET AS EXEMPT				13,572	TOTAL PAID				42,670	TOTAL EXEMPT				14,025	TOTAL WAIVED				8,417				

THE FOLLOWING INDICATES MULTIPLE EXEMPTIONS AND/OR OTHER REASONS:

SITE	F E E S				E X E M P T										W A I V E D								
	REQD	VOL	\$DUE	NONE	WKEND	PSRV	STAF	TV	XMPT	FIRE	PLCE	OUNIT	AFDC	SSI	GENAST	VET	MCDONL	JTPA	INCOME	CRED	BOGG	WAVD	
SS	8,314		368		618	0	0	219	25	0	0	103	147	285	6	12	0	0	5,047	0	772		61
DC	0	868	4,297	0	169	0	0	1	155	25	18	1,346	15	23	0	3	0	0	467	0	190		2
SS&OC	1,337	345	7	157	111	0	0	100	1	0	0	356	24	29	0	4	0	0	669	0	171		7
OTHER	720	412	67	3,981	675	1,640	0	34	4,863	8,825	3,600	200	7	8	0	6	0	0	324	0	128		10
TOTAL	10,371	3,201	442	9,517	1,573	1,640	0	353	27	8,850	3,722	2,417	193	345	6	25	0	0	6,507	0	1,261		80
TOTAL STUDENTS SET AS EXEMPT				13,572	TOTAL PAID				42,670	TOTAL EXEMPT				14,025	TOTAL WAIVED				8,417				

 SITE: SS = SANTA ANA CAMPUS ONLY
 OC = ORANGE CAMPUS ONLY
 SS&OC = SANTA ANA AND ORANGE CAMPUSES ONLY
 OTHER = SANTA ANA AND/OR ORANGE AND/OR OTHER CAMPUS(ES)
 FEES: REOD = FEE REQUIRED AND PAID, INCLUDES CLASS(ES) DROPPED LATE
 VOL = FEE PAID-VOLUNTARILY, WAIVED AND/OR EXEMPT REQUIREMENT MET
 \$DUE = FEE REQUIRED AND PAYMENT DUE
 NONE = NO FEE REQUIRED
 EXEMPT = NO FEE PAID AND NO HEALTH SERVICES PROVIDED
 WAIVED = NO FEE PAID, BUT HEALTH SERVICES PROVIDED

 TOTAL EXEMPT=23,600

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

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

Program
029

(01) Claimant Identification Number S30125		CLIENT		Reimbursement Claim Data	
(02) Claimant Name Rancho Santiago Comm Coll Dist				(22) HFE-1.0,(04)(b)	
County of Location Orange				(23)	
Street Address or P.O. Box 2323 North Broadway				(24)	
City Santa Ana	State CA	Zip Code 92706-1640			
Type of Claim		Estimated Claim		Reimbursement Claim	
		(03) Estimated <input checked="" type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(26)	
		(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(27)	
		(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(28)	
				(29)	
Fiscal Year of Cost	(06) 2002-2003	(12) 2001-2002			
Total Claimed Amount	(07) \$350,000	(13) \$518,510			
LESS: 10% Late Penalty, not to exceed \$1000	(14)				
LESS: Prior Claim Payment Received	(15)				
Net Claimed Amount	(16)	\$518,510			
Due from State	(08) \$350,000	(17) \$518,510			
Due to State	(18)				

(37) CERTIFICATION OF CLAIM

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

The amounts for Estimated 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

Mark Zacovic

Mark Zacovic

Type or Print Name

38) Name of Contact Person for Claim

Chris L'Heureux (MAXIMUS)

Date

12/18/02

Vice Chancellor

Title

(949) 440-0845

Telephone Number

chrisheureux@maximus.com

E-Mail Address

Program 032	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.0
----------------------------------	--	-------------------------

(01) Claimant: Rancho Santiago Comm Coll Dist	(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. Rancho Santiago Community College District	518,510
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
l) Total Amount Claimed	[Line (3.1b) + line (3.2b) + line (3.3b) + ...line (3.21b)]

Program 032	MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY	FORM HFE-1.1
----------------------------------	--	-------------------------

(01) Claimant: Rancho Santiago Comm Coll Dis	(2) Type of Claim Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 2001-2002
---	--	-------------------------------------

(3) Name of College

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

LESS SAME MORE

	Direct Cost	Indirect Cost	Total
(05) Cost of health services for the fiscal year of claim	\$687,949	\$325,459	\$1,013,408
(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)]	\$687,949	\$325,459	\$1,013,408

(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)
Per fall semester	3483	14850	\$11.00	\$38,316	\$11.00	\$163,347	\$201,663
Per spring semester	3423	15594	\$11.00	\$37,654	\$11.00	\$171,533	\$209,187
Per summer session	105	10401	\$8.00	\$840	\$8.00	\$83,208	\$84,048
Per first quarter							
Per second quarter							
Per third quarter							

(9) Total health fee that could have been collected	[Line (8.1g) + (8.2g) +(8.6g)]	\$494,898
(0) Sub-total	[Line (07) - line (09)]	\$518,510

Cost Reduction		
1) Less: Offsetting Savings, if applicable		
2) Less: Other Reimbursements, if applicable		
3) Total Amount Claimed	[Line (10) - {line (11) + line (12)}]	\$518,510

Program 032	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES		FORM HFE-2
(01) Claimant: Rancho Santiago Comm Coll Dist	(02) Fiscal Year Costs Were Incurred		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	
Accident Reports			
Appointments			
College Physician, surgeon	X	X	
Dermatology, Family practice	X	X	
Internal Medicine	X	X	
Outside Physician	X	X	
Dental Services	X	X	
Outside Labs, (X-ray, etc.,)	X	X	
Psychologist, full service	X	X	
Cancel/Change Appointment	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	
Neralgic	X	X	
Orthopedic	X	X	
Genito/Urinary	X	X	
Dental			
Gastro-Intestinal	X	X	
Stress Counseling	X	X	
Crisis Intervention	X	X	
Child Abuse Reporting and Counseling	X	X	
Substance Abuse Identification and Counseling	X	X	
Acquired Immune Deficiency Syndrome			
Eating Disorders	X	X	
Weight Control	X	X	
Personal Hygiene	X	X	
Burnout	X	X	
Other Medical Problems, list	X	X	
Examinations, minor illnesses			
Recheck Minor Injury	X	X	
Health Talks or Fairs, Infomation			
Sexually Transmitted Disease	X	X	
Drugs	X	X	
Acquired Immune Deficiency Syndrome		X NO	
Child Abuse	X	X	

Program 032	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES	FORM HFE-2
----------------------------------	--	-----------------------------

(01) Claimant: Rancho Santiago Comm Coll Dist (02) Fiscal Year Costs Were Incurred 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
Child Abuse	X	X
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	X
Influenza	X	X
Infomation	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	X	X
Physical Examinations		
Employees		
Students		
Athletes		
Medications		
Anatacids	X	X
Antidiarrheal	X	X
Aspirin, Tylenol, etc.,	X	X
Skin Rash Preparations	X	X
Eye Drops	X	X
Ear Drops	X	X
Toothache, oil cloves	X	X
Stingkill	X	X
Midol, Menstrual Cramps	X	X
Other, list	X	X
Parking Cards/Elevator Keys		
Tokens		
Return Card/Key		
Parking Inquiry		
Elevator Passes		
Temporary Handicapped Parking Permits		

Program 032	MANDATED COSTS HEALTH FEE ELIMINATION HEALTH SERVICES		FORM HFE-2
(01) Claimant: Rancho Santiago Comm Coll Dist		(02) Fiscal Year Costs Were Incurred 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
Health Department			X
Clinic			X
Dental			X
Counseling Centers			X
Crisis Centers			X
Transitional Living Facilities, battered/homeless women			X
Family Planning Facilities			X
Other Health Agencies			X
Tests			
Blood Pressure			X
Hearing			X
Tuberculosis			X
Reading			X
Information			X
Vision			X
Glucometer			X
Urinalysis			
Hemoglobin			
EKG			
Strep A Testing			
PG Testing			
Monospot			
Hemacult			
Others, list			
Miscellaneous			
Absence Excuses/PE Waiver			X
Allergy Injections			X
Band-aids			X
Booklets/Pamphlets			X
Dressing Change			X
Rest			X
Suture Removal			X
Temperature			X
Weigh			X
Information			X
Report/Form			X
Wart Removal			X
Others, list			X
Committees			
Safety			X
Environmental			X
Disaster Planning			X
Skin Rash Preparations			X
Eye Drops			

Mandated Cost Data Collection Form
 Health Fee Elimination
 2001-2002

Revised 12-16-02

Rancho Santiago Community College District

Number of Students Enrolled
 (Unduplicated Head Count)

	Full Time	Part Time
Fall 2001	<i>to census</i> 9,029	38,581
Spring 2002	8,802	39,712
Summer 2002	217	26,911

27,610
 48,514
 27,128

we can not use census

Number of Health Fee waivers
 Students
 All

SR 1920

Fall 2001	29,277
Spring 2002	29,497
Summer 2002	16,622

*11/01 18,223
 19,017
 10,506*

figures they do not tie to used - CCFs 311 SR 1920 & ratio from census for PT FT

Mandated Cost Data Collection Form
 Health Fee Elimination
 2001-2002

Count/Census/Irene

PT-FT

FT

PT

Fall	<i>from Irene</i>	6,533	27,917
Spring		6,449	29,095
Summer		153	18,958

*30,000
35,500
10,000*

Ratio/Census

Fall	0.19	0.81
Spring	0.18	0.82
Summer	0.01	0.99

Ratio Applied to SR 1920

Figures to Chris 12/16/02

Fall 47,610	9,029	38,581
Spring 48,514	8,802	39,712
Summer 27,128	217	26,911

*47,610
48,514
27,128*

Mandated Cost Data Collection Form
Health Fee Elimination
2001-2002

Should Have Paid	Did Pay
18,333	17,603
19,017	14,257
10,506	5,920
47,856	37,780

Rancho Santiago Community College District

2001-2002

Health Fees Collected Report

SR 0830 data used to get fulltime student count.

SR 1920 data used for number of students paid, exempt, and BOGG.

Full-Time students reported equals SR 0830 full-time count.

Part-time students reported equals SR1920 TOTAL students less FULL-TIME from SR0830.

To: Judy Strong

**Mandated Cost Data Collection Form
Health Fee Elimination
2001-2002**

SR0830 per diane

Census reporting

SR0740 report, 6/21/02

	<i>Number of Students Enrolled (Unduplicated Head Count)</i>	
	<i>Full Time</i>	<i>Part Time</i>
Fall 2001	6,533	27,917
Spring 2002	6,449	29,095
Summer 2002	153	18,958

Number of BOGG waiver Students

	All
Fall 2001	
Spring 2002	
Summer 2002	

6607 diane - 564-6464

Can you fill in the top section only " # of students enrolled " fall, spring + summer.

*Please fax back to me at 796-3933
Thank,
Judy Strong*

Rancho S

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
2001-2002 HEALTH FEES REPORT**

Figures From SR 1920

	<u># WHO PAID HEALTH FEES</u>	<u># EMEMPT ** OTH THAN BOGG</u>	<u># OF BOGG EXEMPTIONS</u>	TOTAL
FALL 2001	17,603	21,387	7,890	46,880
SPRING 2002	14,257	21,387	8,110	43,754
SUMMER 2002	5,920	11,861	4,761	22,542
Total	37,780	54,635	20,761	113,176

** See breakdown on next page

2001-2002 Health Fee Exemptions Other Than BOGS

	WKEND	PSRV	STAFF	TV	XMPT	APRN	FIRE	PLCE	0 UNIT	TOTAL
FALL 2001	2,472	1,421	-	130	261	2,194	9,615	3,431	1,863	21,387
SPRING 2002	1,973	1,428	-	135	123	2,667	7,891	4,818	2,352	21,387
SUMMER 2002	562	-	-	127	130	1,760	6,522	2,136	624	11,861
TOTAL	5,007	2,849	-	392	514	6,621	24,028	10,385	4,839	54,635

HEALTH FEES PAID, EXEMPT, AND WAIVED FOR 1902 SPRING

FEE S										E-X-E-M-P-T																													
SITE	REQD	VOL	SDUE	NONE	WKEND	PSRV	STAF	TV	AMPT	APRN	FIRE	PLCE	OUNIT	AFGC	SSI	GENAST	VET	MCDONL	JTPA	INCOME	CRED	BOGG	WAVD																
SS	8,291	1,787	283	954	513	0	0	74	77	0	65	104	365	189	338	5	10	0	0	4,960	0	0	654	0															
OC	0	0	0	0	143	0	0	0	42	0	1	1,047	10	32	0	0	0	0	0	433	0	0	149	0															
SS&OC	1,237	422	4	143	82	0	0	52	0	0	3	0	176	8	27	1	0	0	0	623	0	0	158	0															
OTHER	748	507	3,438	1,428	1,238	0	0	2,557	764	0	7,822	4,584	23	21	1	4	0	0	0	339	0	0	119	0															
TOTAL	10,274	3,983	300	8,443	1,973	1,428	0	123	2,667	4,818	2,352	230	418	7	20	0	0	0	0	6,355	0	0	1,080	0															
TOTAL STUDENTS SELECTED=48,514										TOTAL PAID=14,257										TOTAL EXEMPT=21,387										TOTAL WAIVED= 8,110									

THE FOLLOWING INDICATES MULTIPLE EXEMPTIONS AND/OR OTHER REASONS:

FEE S										E-X-E-M-P-T																			
SITE	REQD	VOL	SDUE	NONE	WKEND	PSRV	STAF	TV	AMPT	APRN	FIRE	PLCE	OUNIT	AFGC	SSI	GENAST	VET	MCDONL	JTPA	INCOME	CRED	BOGG	WAVD						
SS	8,291	1,787	283	954	769	0	0	176	121	0	65	128	676	189	338	5	10	0	0	4,960	0	0	654	0					
OC	0	0	0	0	167	0	0	0	44	4	1	1,585	10	32	0	0	0	0	0	433	0	0	149	0					
SS&OC	1,237	422	4	143	148	0	0	92	0	0	5	1	558	8	27	1	0	0	0	623	0	0	158	0					
OTHER	748	507	3,438	1,428	1,851	0	0	2,557	764	0	7,822	4,584	23	21	1	4	0	0	0	339	0	0	119	0					
TOTAL	10,274	3,983	300	8,443	2,935	2,315	0	297	6,161	6,480	3,837	230	418	7	20	0	0	0	0	6,355	0	0	1,080	0					
TOTAL EXEMPT=36,628																													

SITE: SS = SANTA ANA CAMPUS ONLY
 OC = ORANGE CAMPUS ONLY
 SS&OC = SANTA ANA AND ORANGE CAMPUSES ONLY
 OTHER = SANTA ANA AND/OR ORANGE AND/OR OTHER CAMPUS(ES)

FEES: REQD = FEE REQUIRED AND PAID, INCLUDES CLASSIES, DROPPED LATE
 VOL = FEE PAID VOLUNTARILY, WAIVED AND/OR EXEMPT. REQUIREMENT MET.
 SDUE = FEE REQUIRED AND PAYMENT DUE
 NONE = NO FEE REQUIRED

EXEMPT = NO FEE PAID AND NO HEALTH SERVICES PROVIDED
 WAIVED = NO FEE PAID, BUT HEALTH SERVICES PROVIDED

SITE	F E E S			E X E M P T				W A I V E D				BOGG	WAIVED						
	REQD	VOL	SDUE	PSRV	STAF	TV	XMPT	FIRE	PLCE	OUNIT	AFDC			SSI	GENAST	VET	MCDONL	JTPA	INCOME
SS	4,268	629	234	0	0	97	0	0	74	174	140	171	4	0	0	0	3,010	0	417
OC	0	346	2,304	12	0	0	0	0	69	336	15	14	0	0	0	0	368	0	110
SS&OC	272	113	3	85	0	0	29	1	0	68	12	8	0	0	0	0	213	0	39
OTHER	93	199	2,348	634	0	1	13	6,522	66	7	7	8	0	0	0	0	168	0	47
TOTAL	4,633	1,287	5,617	562	0	127	130	6,522	2,136	624	174	198	4	15	0	0	3,757	0	613
TOTAL STUDENTS SELECTED=27,128				TOTAL PAID=5,920				TOTAL EXEMPT=11,851				TOTAL WAIVED=4,751							

THE FOLLOWING INDICATES MULTIPLE EXEMPTIONS AND/OR OTHER REASONS:

SITE	F E E S			E X E M P T				W A I V E D				BOGG	WAIVED						
	REQD	VOL	SDUE	PSRV	STAF	TV	XMPT	FIRE	PLCE	OUNIT	AFDC			SSI	GENAST	VET	MCDONL	JTPA	INCOME
SS	4,268	629	234	20	0	174	186	0	78	365	140	171	4	0	0	0	3,010	0	417
OC	0	346	2,304	12	0	0	28	0	89	482	15	14	0	0	0	0	368	0	110
SS&OC	272	113	3	85	0	0	41	5	0	219	12	8	0	1	0	0	213	0	39
OTHER	93	199	2,348	634	0	1	23	10,532	120	7	7	8	0	0	0	0	168	0	47
TOTAL	4,633	1,287	5,617	643	0	219	242	10,632	2,475	1,186	174	198	4	15	0	0	3,757	0	613
TOTAL EXEMPT=18,651																			

SITE: SS = SANTA ANA CAMPUS ONLY
 OC = ORANGE CAMPUS ONLY
 SS&OC = SANTA ANA AND ORANGE CAMPUSES ONLY
 OTHER = SANTA ANA AND/OR ORANGE AND/OR OTHER CAMPUS(IES)

F E E S: REQD = FEE REQUIRED AND PAID, INCLUDES CLASS(IES) DROPPED LATE
 VOL = FEE PAID VOLUNTARILY; WAIVED AND/OR EXEMPT REQUIREMENT MET
 SDUE = NO FEE REQUIRED
 NONE = NO FEE REQUIRED

EXEMPT = NO FEE PAID AND NO HEALTH SERVICES PROVIDED
 WAIVED = NO FEE PAID, BUT HEALTH SERVICES PROVIDED

RANCHO SANTIAGO COLLEGE
2001
HEALTH FEES PAID, EXEMPT, AND WAIVED FOR 1901 FALL

SITE	F E E S										E X E M P T					W A I V E D																	
	REQD	VOL	SDUE	NONE	WKEND	PSRV	STAF	TV	IMPT	APRN	FIRE	PLCE	OUNIT	AFDC	SSI	GENAST	VET	MCCGNL	JTPA	INCOME	CRED	BOGG	WAVD										
SS	8,409	263	1,111	0	560	39	0	67	225	0	0	118	302	187	326	6	8	0	0	4,963	0	673	0										
OC	0	0	0	0	219	0	0	14	0	0	0	1,028	5	5	27	0	8	0	0	449	0	155	0										
SS&OC	1,166	712	2	136	77	1	0	52	16	0	0	1	117	11	23	0	2	0	0	500	0	125	0										
OTHER	632	629	18	2,696	1,616	1,381	0	11	6	9,615	416	416	18	18	11	2	3	0	0	288	0	106	0										
TOTAL	10,197	7,406	283	7,853	2,472	1,421	0	130	261	9,615	1,863	218	387	218	387	8	21	0	0	6,197	0	1,059	0										
TOTAL PAID=47,610													TOTAL EXEMPT=21,387											TOTAL WAIVED=7,590									

THE FOLLOWING INDICATES MULTIPLE EXEMPTIONS AND/OR OTHER REASONS:

SITE	F E E S										E X E M P T					W A I V E D																	
	REQD	VOL	SDUE	NONE	WKEND	PSRV	STAF	TV	IMPT	APRN	FIRE	PLCE	OUNIT	AFDC	SSI	GENAST	VET	MCCGNL	JTPA	INCOME	CRED	BOGG	WAVD										
SS	8,409	263	1,111	0	788	59	0	82	225	0	101	153	662	187	326	6	8	0	0	4,963	0	673	0										
OC	0	0	0	0	241	0	0	14	0	0	0	1,826	5	5	27	0	8	0	0	449	0	155	0										
SS&OC	1,166	712	2	136	146	2	0	107	19	0	1	3	409	11	23	0	2	0	0	500	0	125	0										
OTHER	632	629	18	2,686	2,338	2,341	0	14	13	9,689	867	18	18	11	11	2	3	0	0	285	0	106	0										
TOTAL	10,197	7,406	283	7,853	3,514	2,393	0	283	271	15,191	3,764	218	387	218	387	8	21	0	0	6,197	0	1,059	0										
TOTAL PAID=47,610													TOTAL EXEMPT=21,387											TOTAL WAIVED=7,590									

SITE: SS = SANTA ANA CAMPUS ONLY
OC = ORANGE CAMPUS ONLY
SS&OC = SANTA ANA AND ORANGE CAMPUSES ONLY
OTHER = SANTA ANA AND/OR ORANGE AND/OR OTHER CAMPUSES

F E E S:
REQD = FEE REQUIRED AND PAID, INCLUDES CLASS(ES) DROPPED LATE
VOL = FEE PAID VOLUNTARILY, WAIVED AND/OR EXEMPT REQUIREMENT MET
SDUE = FEE REQUIRED AND PAYMENT DUE
NONE = NO FEE REQUIRED

EXEMPT = NO FEE PAID AND NO HEALTH SERVICES PROVIDED
WAIVED = NO FEE PAID, BUT HEALTH SERVICES PROVIDED

