

# SixTen and Associates Mandate Reimbursement Services

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3841 North Freeway Blvd., Suite 170  
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August 8, 2007



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

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

Dear Ms. Higashi:

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

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

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

Thank you.

Sincerely,

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

Keith B. Petersen

CC: Odessa Walker, Director, Fiscal Services

# COMMISSION ON STATE MANDATES

## 1. INCORRECT REDUCTION CLAIM TITLE

1/84 Health Fee Elimination

## 2. CLAIMANT INFORMATION

Pasadena Area Community College District

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

## 3. CLAIMANT REPRESENTATIVE INFORMATION

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

Keith B. Petersen, President  
SixTen and Associates  
3841 North Freeway Blvd., Suite 170  
Sacramento, CA 95834  
Voice: (916) 565-6104  
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Filing Date:

**RECEIVED**

AUG 14 2007

COMMISSION ON  
STATE MANDATES

IRC #: 07-4206-I-14

## 4. IDENTIFICATION OF STATUTES OR EXECUTIVE ORDERS

Statutes of 1984, 2<sup>nd</sup> E. S., Chapter 1, and Statutes of 1987, Chapter 1118

Education Code Section 76355

## 5. AMOUNT OF SECOND INCORRECT REDUCTION

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

## 6. NOTICE OF INTENT NOT TO CONSOLIDATE

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

Sections 7-13 are attached as follows:

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

## 14. CLAIM CERTIFICATION

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

Kindred Murillo  
Vice-President, Administrative Services

*Kindred Murillo* 8-2-07  
Signature Date

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

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

11  
12 SECOND INCORRECT REDUCTION )  
13 CLAIM OF: )

No. CSM \_\_\_\_\_

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

14 )  
15 )  
16 )  
17 )  
18 **PASADENA AREA** )  
19 Community College District, )

Education Code Section 76355

Health Fee Elimination

20 )  
21 )  
22 Claimant. )

Annual Reimbursement Claims:

Fiscal Year 2002-03

Fiscal Year 2003-04

23 )  
24 )  
25 )  
26 )  
27 )  
28 \_\_\_\_\_ )  
INCORRECT REDUCTION CLAIM FILING

29 PART I. AUTHORITY FOR THE CLAIM

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

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

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

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

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

20 **PART II. SUMMARY OF THE CLAIM**

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

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

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

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

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

**PART III. PREVIOUS INCORRECT REDUCTION CLAIMS**

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

**PART IV. BASIS FOR REIMBURSEMENT**

**1. Mandate Legislation**

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

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

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

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

10 Chapter 8, Statutes of 1993, Section 29, repealed Education Code Section  
11 72246, effective April 15, 1993. Chapter 8, Statutes of 1993, Section 34, added  
12 Education Code Section 76355<sup>1</sup>, containing substantially the same provisions as former

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

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

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

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

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

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

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1 Section 72246, effective April 15, 1993.

2 2. Test Claim

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15 3. Parameters and Guidelines

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

21 /

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

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1 "V. REIMBURSABLE COSTS

2 A. Scope of Mandate

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

6 VI. CLAIM PREPARATION

7 B. ... 3. Allowable Overhead Cost

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

11 VII. SUPPORTING DATA

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

15 VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

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

26 4. Claiming Instructions

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

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

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

6 PART V. STATE CONTROLLER CLAIM ADJUDICATION

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

11 VI. CLAIMANT'S RESPONSE TO THE STATE CONTROLLER

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

14 PART VII. STATEMENT OF THE ISSUES

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

16 The District is not disputing this adjustment.

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

18 The District is not disputing this adjustment.

19 **Finding 3: Overstated indirect costs**

20 The District is not disputing this adjustment.

21 /

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

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

11 Education Code Section 76355

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

20 Parameters and Guidelines

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

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

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

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

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

13 Government Code Section 17514

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

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

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

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

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

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

3 **Government Code Section 17556**

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

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

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

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

21 **Fees Collected vs. Fees Collectible**

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

**Second Incorrect Reduction Claim of Pasadena Area Community College District  
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1 amount "collectible" will never equal actual revenues collected due to changes in  
2 student BOGG eligibility, bad debt accounts, and refunds.

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

11 **Enrollment and Exempted Student Statistics**

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

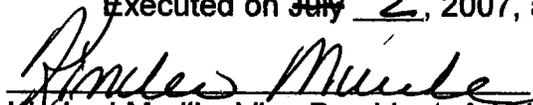


Second Incorrect Reduction Claim of Pasadena Area Community College District  
1/84; 1118/87 Health Fee Elimination

PART IX. CERTIFICATION

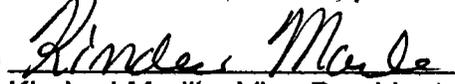
By my signature below, I hereby declare, under penalty of perjury under the laws of the State of California, that the information in this incorrect reduction claim submission is true and complete to the best of my own knowledge or information or belief, and that the attached documents are true and correct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

Executed on <sup>Aug</sup> ~~July~~ 2, 2007, at Pasadena, California, by

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

APPOINTMENT OF REPRESENTATIVE

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

 Kindred Murillo, Vice-President, Administrative Services  
Pasadena Area Community College District  
Date 8-2-07

Attachments:

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





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

CC19335  
 00234  
 2006/10/22

RECEIVED OCT 25 2006

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

DEAR CLAIMANT:

RE: HEALTH FEE ELIMINATION (CC)

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

AMOUNT CLAIMED 202,954.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 82,349.00

TOTAL ADJUSTMENTS - 82,349.00

AMOUNT DUE CLAIMANT \$ 120,605.00

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

SINCERELY,

*Ginny Brummels*  
 GINNY BRUMMELS, MANAGER



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

CC19335  
 00234  
 2006/12/16

RECEIVED DEC 19 2006

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

DEAR CLAIMANT:

RE: HEALTH FEE ELIMINATION (CC)

WE HAVE REVIEWED YOUR 2003/2004 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED 185,047.00

ADJUSTMENT TO CLAIM:

FIELD AUDIT FINDINGS - 110,406.00

TOTAL ADJUSTMENTS - 110,406.00

AMOUNT DUE CLAIMANT \$ 74,641.00

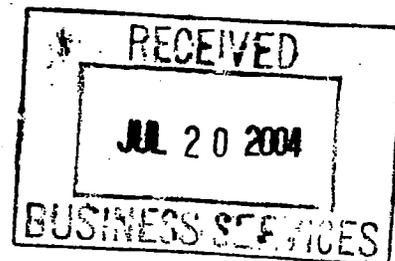
IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT FRAN STUART AT (916) 323-0766 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. THE PAYMENT WILL BE FORTHCOMING WITHIN 30 DAYS.

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.

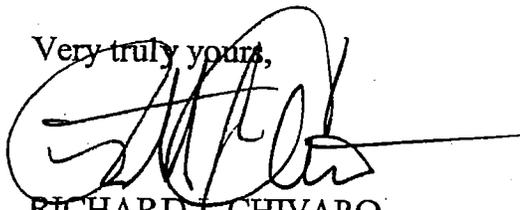
The Controller's informal audit review process was established to resolve factual disputes where no other forum for resolution, other than a judicial proceeding, is available.

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 & 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.

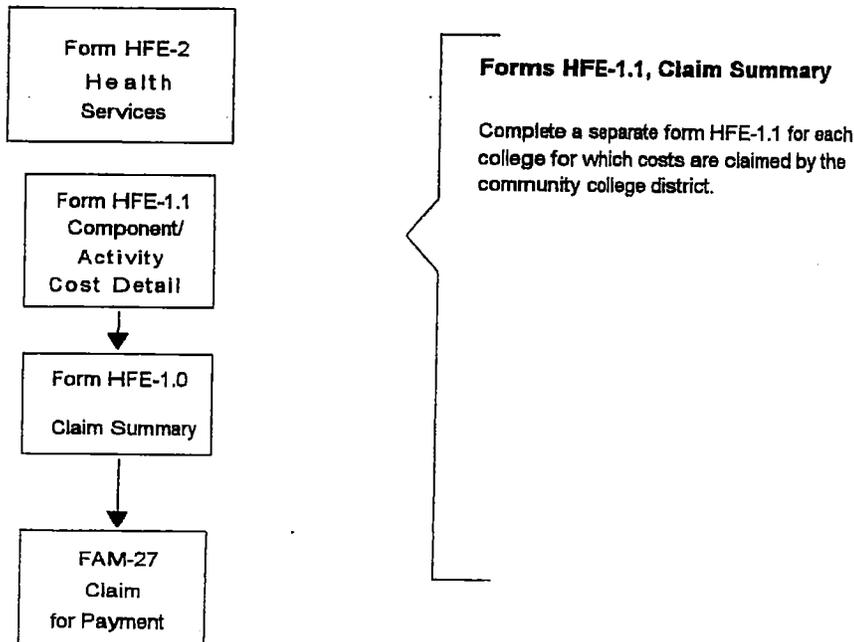
**C. Form HFE-1.0, Claim Summary**

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**



<b>CLAIM FOR PAYMENT</b> Pursuant to Government Code Section 17561  <b>HEALTH FEE ELIMINATION</b>	For State Controller Use Only (19) Program Number 00029 (20) Date Filed ___/___/___ (21) LRS Input ___/___/___	<b>Program</b> <span style="font-size: 2em; font-weight: bold;">029</span>
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L A B E L  H E R E	(01) Claimant Identification Number		<b>Reimbursement Claim Data</b>	
	(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)	
	<b>Type of Claim</b>		<b>Reimbursement Claim</b>	
	(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)	
<b>Fiscal Year of Cost</b>	(06) 20___/20___	(12) 20___/20___	(29)	
<b>Total Claimed Amount</b>	(07)	(13)	(30)	
<b>Less: 10% Late Penalty, not to exceed \$1,000</b>		(14)	(31)	
<b>Less: Prior Claim Payment Received</b>		(15)	(32)	
<b>Net Claimed Amount</b>		(16)	(33)	
<b>Due to Claimant</b>	(08)	(17)	(34)	
<b>Due to State</b>		(18)	(35)	

**(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 \_\_\_\_\_

<b>Program</b> <b>029</b>	<b>HEALTH FEE ELIMINATION</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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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

<b>MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY</b>		<b>FORM HFE-1.0</b>
(01) Claimant	(02) Type of Claim Reimbursement <input type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 19__/19__
<b>(03) List all the colleges of the community college district identified in form HFE-1.1, line (03)</b>		
(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.		
<b>(04) Total Amount Claimed</b>	[Line (3.1b) + line (3.2b) + line (3.3b) + ...line (3.21b)]	

<b>HEALTH FEE ELIMINATION CLAIM SUMMARY Instructions</b>	<b>FORM HFE-1.0</b>
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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).

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

(03) Name of College

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

LESS       SAME       MORE

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

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

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

(09) Total health fee that could have been collected	[Line (8.1g) + (8.2g) + .....(8.6g)]
(10) Sub-total	[Line (07) - line (09)]

**Cost Reduction**

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

**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.

<b>MANDATED COSTS</b> <b>HEALTH ELIMINATION FEE</b> <b>HEALTH SERVICES</b>		<b>FORM</b> <b>HFE-2</b>	
(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			

<b>MANDATED COSTS</b> <b>HEALTH ELIMINATION FEE</b> <b>HEALTH SERVICES</b>	<b>FORM</b> <b>HFE-2</b>
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(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
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<ul style="list-style-type: none"> <li>Child Abuse</li> <li>Birth Control/Family Planning</li> <li>Stop Smoking</li> <li>Library, Videos and Cassettes</li>   <li>First Aid, Major Emergencies</li>   <li>First Aid, Minor Emergencies</li>   <li>First Aid Kits, Filled</li>   <li>Immunizations                             <ul style="list-style-type: none"> <li>Diphtheria/Tetanus</li> <li>Measles/Rubella</li> <li>Influenza</li> <li>Information</li> </ul> </li>   <li>Insurance                             <ul style="list-style-type: none"> <li>On Campus Accident</li> <li>Voluntary</li> <li>Insurance Inquiry/Claim Administration</li> </ul> </li>   <li>Laboratory Tests Done                             <ul style="list-style-type: none"> <li>Inquiry/Interpretation</li> <li>Pap Smears</li> </ul> </li>   <li>Physical Examinations                             <ul style="list-style-type: none"> <li>Employees</li> <li>Students</li> <li>Athletes</li> </ul> </li>   <li>Medications                             <ul style="list-style-type: none"> <li>Antacids</li> <li>Antidiarrheal</li> <li>Aspirin, Tylenol, Etc</li> <li>Skin Rash Preparations</li> <li>Eye Drops</li> <li>Ear Drops</li> <li>Toothache, oil cloves</li> <li>Stingkill</li> <li>Midol, Menstrual Cramps</li> <li>Other, list</li> </ul> </li>   <li>Parking Cards/Elevator Keys                             <ul style="list-style-type: none"> <li>Tokens</li> <li>Return Card/Key</li> <li>Parking Inquiry</li> <li>Elevator Passes</li> <li>Temporary Handicapped Parking Permits</li> </ul> </li> </ul>		
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<b>MANDATED COSTS</b> <b>HEALTH ELIMINATION FEE</b> <b>HEALTH SERVICES</b>		<b>FORM</b> <b>HFE-2</b>	
(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
<b>Referrals to Outside Agencies</b> Private Medical Doctor Health Department Clinic Dental Counseling Centers Crisis Centers Transitional Living Facilities, battered/homeless women Family Planning Facilities Other Health Agencies			
<b>Tests</b> Blood Pressure Hearing Tuberculosis Reading Information Vision Glucometer Urinalysis Hemoglobin EKG Strep A testing PG Testing Monospot Hemacult Others, list			
<b>Miscellaneous</b> Absence Excuses/PE Waiver Allergy Injections Band-aids Booklets/Pamphlets Dressing Change Rest Suture Removal Temperature Weigh Information Report/Form Wart Removal Others, list			
<b>Committees</b> Safety Environmental Disaster Planning			



# **PASADENA AREA COMMUNITY COLLEGE DISTRICT**

Audit Report

## **HEALTH FEE ELIMINATION PROGRAM**

Chapter 1, Statutes of 1984, 2<sup>nd</sup> Extraordinary Session  
and Chapter 1118, Statutes of 1987

*July 1, 2002, through June 30, 2004*



**STEVE WESTLY**  
California State Controller

June 2006



STEVE WESTLY  
California State Controller

June 30, 2006

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

Dear Dr. Korsler:

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

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

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

Sincerely,

*Original Signed By:*

JEFFREY V. BROWNFIELD  
Chief, Division of Audits

JVB/vb:ams

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

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## Audit Report

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# Audit Report

## Summary

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

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

## Background

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

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

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

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

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

## **Objective, Scope, and Methodology**

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

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

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

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

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

## **Conclusion**

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

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

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

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

**Views of  
Responsible  
Officials**

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

**Restricted Use**

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

*Original Signed By:*

JEFFREY V. BROWNFIELD  
Chief, Division of Audits

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

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

<sup>1</sup> See the Findings and Recommendations section.

# Findings and Recommendations

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

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

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

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

### Recommendation

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

### District's Response

The district agreed with the finding.

## **FINDING 2— Unallowable athletic insurance costs**

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

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

### Recommendation

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

### District's Response

The district agreed with the finding.

**FINDING 3—  
Overstated indirect  
costs**

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

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

A summary of the adjustment is as follows.

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

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

Recommendation

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

District's Response

The district agreed with the finding.

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

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

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

The understated authorized health fee revenues are calculated as follows.

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

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

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

Recommendation

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

District's Response

The district agreed with the finding.

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

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



ORIGINAL

State Controller's Office

Community College Mandated Cost Manual

<b>CLAIM FOR PAYMENT</b> <b>Pursuant to Government Code Section 17561</b> <b>HEALTH FEE ELIMINATION</b>		<b>For State Controller Use Only</b> (19) Program Number 00234 (20) Date Filed <u>01-16-04</u> (21) LRS Input ___/___/___		<b>Program</b> <u>234</u>
		(01) Claimant Identification Number <u>S49335</u> <u>CC19335</u>		<b>Reimbursement Claim Data</b> (22) HFE-1.0,(04)(b) <u>202,954</u>
(02) Claimant Name <b>Pasadena Area CCD</b>		(23)		
County of Location <b>Los Angeles</b>		(24)		
Street Address or P.O. Box <b>1570 East Colorado Blvd.</b>		(25)		
City                                  State                                  Zip Code <b>Pasadena                          CA                                  91106</b>		(26)		
<b>Type of Claim</b> (03) Estimated <input checked="" type="checkbox"/> (04) Combined <input type="checkbox"/> (05) Amended <input type="checkbox"/>	<b>Estimated Claim</b> (09) Reimbursement <input checked="" type="checkbox"/> (10) Combined <input type="checkbox"/> (11) Amended <input type="checkbox"/>		(27)	
			(28)	
			(29)	
Fiscal Year of Cost	(06) <b>2003-2004</b>	(12) <b>2002-2003</b>	(30)	
Total Claimed Amount	(07) <b>\$200,000</b>	(13) <b>\$202,954</b>	(31)	
LESS: 10% Late Penalty, not to exceed \$1000		(14) <u>&lt;82,349&gt;</u>	(32) <u>7846</u>	
LESS: Prior Claim Payment Received		(15)	(33)	
Net Claimed Amount		(16) <u>120605</u> <del>202,954</del>	(34)	
Due from State	(08) <b>\$200,000</b>	(17) <u>120605</u> <del>202,954</del>	(35)	
Due to State		(18)	(36)	

**(37) CERTIFICATION OF CLAIM**

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

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

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

Signature of Authorized Officer

*Peter Hardash*

Date

1/7/04

Peter Hardash

Vice President, Administrative Services

Type or Print Name

Title

(38) Name of Contact Person for Claim

(949) 440-0845, Ext. 103

James L. Robbins (MAXIMUS)

Telephone Number

JamesRobbins@maximus.com

E-Mail Address

<b>Program</b> <span style="font-size: 24pt; font-weight: bold;">234</span>	<b>MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY</b>	<b>FORM HFE-1.0</b>
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<b>(01) Claimant:</b> Pasadena Area CCD	<b>(02) Type of Claim</b> Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	<b>Fiscal Year</b> 2002-2003
---	--	---------------------------------

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

	(a) Name of College	(b) Claimed Amount
1.	Pasadena Area CCD	\$202,954
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
21.		

<b>(04) Total Amount Claimed</b>	[Line (3.1b) + line (3.2b) + line (3.3b) + ...line (3.21b)]	<b>\$202,954</b>
----------------------------------	---	------------------

<b>Program</b> <div style="border: 1px solid black; padding: 2px; font-size: 24pt; font-weight: bold;">234</div>	<b>MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY</b>	<b>FORM HFE-1.1</b>
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<b>(01) Claimant:</b> Pasadena Area CCD	<b>(2) Type of Claim</b> Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	<b>Fiscal Year</b> 2002-2003
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**(3) Name of College**

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

LESS       SAME       MORE

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

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

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

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

**Cost Reduction**

<b>(11) Less: Offsetting Savings, if applicable</b>	\$31,707
<b>(12) Less: Other Reimbursements, if applicable</b>	
<b>(13) Total Amount Claimed</b>	\$202,954

Program <b>234</b>	<b>MANDATED COSTS</b> <b>HEALTH FEE ELIMINATION</b> <b>HEALTH SERVICES</b>	<b>FORM</b> <b>HFE-2</b>
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(01) Claimant: Pasadena Area CCD	(02) Fiscal Year Costs Were Incurred	2002-2003
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(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim
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Accident Reports	X	X
Appointments		
College Physician, surgeon	X	X
Dermatology, Family practice	X	X
Internal Medicine	X	X
Outside Physician		
Dental Services		
Outside Labs, (X-ray, etc.)		
Psychologist, full service	X	X
Cancel/Change Appointment	X	X
Registered Nurse		
Check Appointments	X	X
Assessment, Intervention and Counseling		
Birth Control	X	X
Lab Reports	X	X
Nutrition	X	X
Test Results, office	X	X
Venereal Disease	X	X
Communicable Disease	X	X
Upper Respiratory Infection	X	X
Eyes, Nose and Throat	X	X
Eye/Vision	X	X
Dermatology/Allergy	X	X
Gynecology/Pregnancy Service	X	X
Neralgic	X	X
Orthopedic	X	X
Genito/Urinary		
Dental		
Gastro-Intestinal	X	X
Stress Counseling	X	X
Crisis Intervention	X	X
Child Abuse Reporting and Counseling	X	X
Substance Abuse Identification and Counseling		
Acquired Immune Deficiency Syndrome		
Eating Disorders		
Weight Control	X	X
Personal Hygiene	X	X
Burnout	X	X
Other Medical Problems, list	X	X
Examinations, minor illnesses		
Recheck Minor Injury	X	X
Health Talks or Fairs, Infomation		
Sexually Transmitted Disease	X	X
Drugs	X	X
Acquired Immune Deficiency Syndrome	X	X
Child Abuse	X	X

<b>Program</b> <span style="font-size: 24pt; font-weight: bold;">234</span>	<b>MANDATED COSTS</b> <b>HEALTH FEE ELIMINATION</b> <b>HEALTH SERVICES</b>	<b>FORM</b> <b>HFE-2</b>
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(01) Claimant: Pasadena Area CCD	(02) Fiscal Year Costs Were Incurred	2002-2003
----------------------------------	--------------------------------------	-----------

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

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

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

Pasadena Area Community College District  
Fiscal Year 2002-2003

Expenditure Classifications	Expenditures per CCRS - 311					Direct and Unallowable Costs					Indirect Costs				
	Salaries & Wages	Operating Expense	Capital Outlay	Other Outgo	Total	Salaries & Wages	Operating Expense	Capital Outlay	Other Outgo	Salaries & Wages	Operating Expense	Capital Outlay	Other Outgo		
Instructional	\$ 52,294,278	\$ 2,093,276	\$ 775,550	\$ -	\$ 55,163,104	\$ 52,294,278	\$ 2,093,276	\$ 775,550	\$ -	\$ 52,294,278	\$ 2,093,276	\$ 775,550	\$ -		
Instructional Admin	\$ 7,304,910	\$ 646,158	\$ 119,385	\$ -	\$ 8,070,453	\$ 5,564,179	\$ 377,517	\$ 119,385	\$ -	\$ 5,564,179	\$ 377,517	\$ 119,385	\$ -		
Instructional Support Services	\$ 3,319,585	\$ 326,645	\$ 196,992	\$ -	\$ 3,843,222	\$ 1,702,135	\$ 170,197	\$ 196,992	\$ -	\$ 1,702,135	\$ 170,197	\$ 196,992	\$ -		
Admissions and Records	\$ 1,262,762	\$ 108,718	\$ 11,530	\$ -	\$ 1,383,010	\$ 1,262,762	\$ 108,718	\$ 11,530	\$ -	\$ 1,262,762	\$ 108,718	\$ 11,530	\$ -		
Counseling and Guidance	\$ 4,025,978	\$ 287,308	\$ 47,448	\$ -	\$ 4,360,734	\$ 4,025,978	\$ 287,308	\$ 47,448	\$ -	\$ 4,025,978	\$ 287,308	\$ 47,448	\$ -		
Other Student Services	\$ 5,110,969	\$ 419,721	\$ 51,743	\$ 335,930	\$ 5,918,363	\$ 5,110,969	\$ 419,721	\$ 51,743	\$ 335,930	\$ 5,110,969	\$ 419,721	\$ 51,743	\$ 335,930		
Operations and Maintenance	\$ 1,332,058	\$ 476,040	\$ 17,061	\$ -	\$ 1,825,159	\$ 608,061	\$ 63,565	\$ 17,061	\$ -	\$ 608,061	\$ 63,565	\$ 17,061	\$ -		
Planning and Policy Making	\$ 8,579,747	\$ 2,599,938	\$ 401,264	\$ -	\$ 11,580,949	\$ 436,735	\$ 449,576	\$ 401,264	\$ -	\$ 436,735	\$ 449,576	\$ 401,264	\$ -		
General Institute Services	\$ 436,735	\$ 820,287	\$ 23,745	\$ -	\$ 1,280,767	\$ 1,082,199	\$ 820,287	\$ 23,745	\$ -	\$ 1,082,199	\$ 820,287	\$ 23,745	\$ -		
Community Services	\$ 1,082,199	\$ 570,084	\$ 8,353	\$ -	\$ 1,660,636	\$ 1,082,199	\$ 570,084	\$ 8,353	\$ -	\$ 1,082,199	\$ 570,084	\$ 8,353	\$ -		
Auxiliary Operations	\$ 168,988	\$ -	\$ 144,192	\$ -	\$ 313,180	\$ 168,988	\$ -	\$ 144,192	\$ -	\$ 168,988	\$ -	\$ 144,192	\$ -		
Property and Acquisitions	\$ -	\$ -	\$ -	\$ 2,064,079	\$ 2,064,079	\$ -	\$ -	\$ -	\$ 2,064,079	\$ -	\$ -	\$ -	\$ 2,064,079		
Other Financial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Use Allowances/Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Use Allowances/Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>TOTALS</b>	\$ 90,110,418	\$ 12,058,500	\$ 1,840,284	\$ 2,400,009	\$ 106,417,211	\$ 72,256,284	\$ 5,360,249	\$ 1,840,284	\$ -	\$ 72,256,284	\$ 5,360,249	\$ 1,840,284	\$ -		

Use Allowances/Building  
Use Allowances/Equipment

Notes-Adjustments

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

INDIRECT COST RATE COMPUTATION

Indirect Costs	
-- Salaries & Wages	\$ 17,854,134
-- Operating Exp	\$ 6,698,251
-- Capital Outlay	\$ -
-- Other Outgo	\$ 2,400,009
<b>Total Indirect Costs</b>	\$ 26,952,394
<b>Direct Salaries and Wages</b>	\$ 72,256,284
<b>Indirect Cost Rate:</b>	\$ 26,952,394 / \$ 72,256,284 = 37.30%

Cell: G13

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

Cell: I13

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

Cell: G14

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

Cell: I14

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

Cell: G20

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

Cell: I20

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

**CALIFORNIA COMMUNITY COLLEGES**  
Annual Financial and Budget Report

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

**SUPPLEMENTAL DATA**  
For Actual Year: 2002-03

**S10 GENERAL FUND - COMBINED**

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

\* Salaries and Benefits of instructors and instructional aides in instructional assignments

\*\* Salaries and Benefits of staff in noninstructional assignments

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Pasadena Community College District

770

District Code No.

CALIFORNIA COMMUNITY COLLEGES  
Annual Financial and Budget Report

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

**SUPPLEMENTAL DATA**

For Actual Year: 2002-03

**S10 GENERAL FUND - COMBINED**

Activity Classification	State Use Only (EDP)	SALARIES and BENEFITS		Operating Expenses (4000 - 5000) (3)	Capital Outlay (6000) (4)	Other Outgo (7000) (5)	Total (1000 - 7000) (6)
		Instructional* (1)	Noninstructional** (2)				
<b>Instruct. Admin. &amp; Instruct. Governance (6000)</b>							
Academic Administration	6010		6,415,046	445,223	86,617		6,946,886
Course and Curriculum Development	6020		457,722	179,596	22,579		659,897
Academic/Faculty Senate	6030		187,874	12,294			200,168
Other Instruct. Admin. & Instruct. Governance	6090		244,268	9,045	10,189		263,502
<b>Subtotal - Instructional Administration</b>	<b>6000</b>		<b>7,304,910</b>	<b>646,158</b>	<b>119,385</b>		<b>8,070,453</b>
<b>Instructional Support Services (6100)</b>							
Learning Center	6110		607,580	11,742	1,446		620,768
Library	6120		1,617,450	156,448	124,059		1,897,957
Media	6130		1,069,262	157,084	71,487		1,297,833
Museums and Galleries	6140		25,293	1,371			26,664
Academic Information Systems and Tech.	6150						
Other Instructional Support Services	6190						
<b>Subtotal - Instructional Support Services</b>	<b>6100</b>		<b>3,319,585</b>	<b>326,645</b>	<b>196,992</b>		<b>3,843,222</b>
<b>Admissions and Records</b>	<b>6200</b>		<b>1,262,762</b>	<b>108,718</b>	<b>11,530</b>		<b>1,383,010</b>
<b>Student Counseling and Guidance (6300)</b>							
Counseling and Guidance	6310		2,316,703	82,460	12,248		2,411,411
Matriculation and Student Assessment	6320		1,028,557	116,208	30,892		1,175,657
Transfer Programs	6330		322,140	63,699	4,308		390,147
Career Guidance	6340		357,254	21,614			378,868
Other Student Counseling and Guidance	6390		1,324	3,327			4,651
<b>Subtotal - Student Counseling and Guidance</b>	<b>6300</b>		<b>4,025,978</b>	<b>287,308</b>	<b>47,448</b>		<b>4,360,734</b>

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

**CALIFORNIA COMMUNITY COLLEGES**  
Annual Financial and Budget Report

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

**SUPPLEMENTAL DATA**

For Actual Year: 2002-03

**S10 GENERAL FUND - COMBINED**

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

\* Salaries and Benefits of instructors and instructional aides in instructional assignments

\*\* Salaries and Benefits of staff in noninstructional assignments

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

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Pasadena Community College District

770

District Code No.

**CALIFORNIA COMMUNITY COLLEGES**  
Annual Financial and Budget Report

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

**SUPPLEMENTAL DATA**  
For Actual Year: 2002-03

**S10 GENERAL FUND - COMBINED**

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

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

**CALIFORNIA COMMUNITY COLLEGES**  
Annual Financial and Budget Report

**SUPPLEMENTAL DATA**

For Actual Year: 2002-03

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

**S10 GENERAL FUND - COMBINED**

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

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

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

10/29/03 4:47

Pasadena Community College District

District Code No. **770**

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 HEALTH FEE ELIMINATION		For State Controller Use Only	
(01) Claimant Identification Number <b>S19335</b> <i>CC 19335<sup>v</sup></i>		(19) Program Number 00234	(20) Date Filed <b>JAN 14 2005</b>
(02) Claimant Name <b>Pasadena Area CCD</b>		(21) LRS Input <i>3/18/05</i>	(22) HFE-1.0,(04)(b) <b>185,047</b>
County of Location <b>Los Angeles</b>		(23)	
Street Address or P.O. Box <b>1570 East Colorado Blvd.</b>		(24)	
City <b>Pasadena</b>	State <b>CA</b>	Zip Code <b>91106</b>	(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) <b>2004-2005</b>	(12) <b>2003-2004</b>	(30)
Total Claimed Amount	(07) <b>\$150,000</b>	(13) <b>\$185,047</b>	(31) <i>RV</i>
LESS: 10% Late Penalty, not to exceed \$1000	(14)	<i>&lt;110,406&gt;</i>	(32) <i>9846</i>
LESS: Prior Claim Payment Received	(15)		(33)
Net Claimed Amount	(16)	<i>74,641</i> <b>185,047</b>	(34)
Due from State	(08) <b>\$150,000</b>	(17) <b>185,047</b>	(35)
Due to State	(18)		(36)
<b>(37) CERTIFICATION OF CLAIM</b>			
<p>In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the community college district to file claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 through 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.</p>			
Signature of Authorized Officer <i>Peter Hardash</i>		Date <i>1/14/2005</i>	
Peter Hardash		Vice President, Administrative Services	
Type or Print Name		Title	
(38) Name of Contact Person for Claim		(949) 440-0845, Ext. 103	
James L. Robbins (MAXIMUS)		Telephone Number	
		JamesRobbins@maximus.com	
		E-Mail Address	

<b>Program</b> <span style="font-size: 24pt; font-weight: bold;">234</span>	<b>MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY</b>	<b>FORM HFE-1.0</b>
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<b>(01) Claimant:</b> Pasadena Area CCD	<b>(02) Type of Claim</b> Reimbursement <input checked="" type="checkbox"/> <input type="checkbox"/> Estimated <input type="checkbox"/> <input type="checkbox"/>	<b>Fiscal Year</b> 2003-2004
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**(03) List all the colleges of the community college district identified in form HFE-1.1, line (03)**

	(a) Name of College	(b) Claimed Amount
1.	Pasadena Area CCD	\$185,047
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
21.		

<b>(04) Total Amount Claimed</b>	[Line (3.1b) + line (3.2b) + line (3.3b) + ...line (3.21b)]	<b>\$185,047</b>
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<b>Program</b> <span style="font-size: 24pt; font-weight: bold;">234</span>	<b>MANDATED COSTS HEALTH FEE ELIMINATION CLAIM SUMMARY</b>	<b>FORM HFE-1.1</b>
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<b>(01) Claimant:</b> Pasadena Area CCD	<b>(2) Type of Claim</b> Reimbursement <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>	<b>Fiscal Year</b> 2003-2004
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**(3) Name of College**

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

LESS       SAME       MORE

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

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

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

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



<b>Program</b> <b>234</b>	<b>MANDATED COSTS</b> <b>HEALTH FEE ELIMINATION</b> <b>HEALTH SERVICES</b>		<b>FORM</b> <b>HFE-2</b>
(01) Claimant: Pasadena Area CCD	(02) Fiscal Year Costs Were Incurred		2003-2004
(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health service was provided by student health service fees for the indicated fiscal year.	(a) FY 1986/87	(b) FY of Claim	
<b>Referrals to Outside Agencies</b>			
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
<b>Tests</b>			
Blood Pressure	X		X
Hearing	X		X
Tuberculosis			
Reading	X		X
Information	X		X
Vision	X		X
Glucometer	X		X
Urinalysis	X		X
Hemoglobin	X		X
EKG	X		X
Strep A Testing	X		X
PG Testing	X		X
Hemacult	X		X
Others, list	X		X
<b>Miscellaneous</b>			
Absence Excuses/PE Waiver	X		X
Allergy Injections	X		X
Band-aids	X		X
Booklets/Pamphlets	X		X
Dressing Change	X		X
Rest	X		X
Suture Removal	X		X
Temperature	X		X
Weigh	X		X
Information	X		X
Report/Form	X		X
Wart Removal	X		X
Others, list			
<b>Committees</b>			
Safety	X		X
Environmental	X		X
Disaster Planning	X		X
Skin Rash Preparations	X		X
Eye Drops	X		X