OFFICE OF THE STATE CONTROLLER

STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2004-04

CHARTER SCHOOLS II

FEBRUARY 6, 2004

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

On July 21, 1994, the COSM determined that Education Code (EC) sections 47605 and 47607 established costs mandated by the State according to the provisions listed in the P's & G's for the Charter Schools program. On November 21, 2002, the COSM determined that EC sections 47605, subdivisions (j)(1) and (k)(3), 47605.5, 47607, and 47614, established costs mandated by the State according to the provisions listed in the P's & G's for the Charter Schools II program. For your reference, the P's & G's are included as an integral part of the claiming instructions.

Eligible Claimants

Any school district as defined in GC section 17519, except for community colleges, which incurs increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs. Charter schools are not eligible claimants.

Filing Deadlines

Initial Claims

Reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. Costs incurred for compliance with EC section 47614 are reimbursable only for the period January 1, 1999, to June 30, 1999, and fiscal years 1999-00, and the period July 1, 2000, to November 7, 2000. **Costs for Charter Schools (CSM 4437) that have been claimed for fiscal years 1998-99 through 2002-03 under the claiming instructions for program 140 are not reimbursable under these P's & G's.**

Costs incurred for compliance with this mandate are reimbursable for the period January 1, 1999, to June 30, 1999, and fiscal years 1999-00 through 2002-03, and must be filed with the SCO and be delivered or postmarked on or before **June 7, 2004.** An estimated claim for the 2003-04 fiscal year may be filed by **June 7, 2004**. Claims filed after the deadline will be reduced by a late penalty of 10%.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline will not be accepted.

School Districts

School districts can not file for the following activities under *Charter Schools II*, program 249, for the period 1/1/99 to 6/30/99 and fiscal years 1999-00 through 2002-03, since these costs were already claimed under *Charter Schools*, program number 140:

- Respond to requests from the public for information on the charter school program. (EC §47605)
- Conduct a public hearing within thirty days of receipt of a petition to determine community support for the petition. EC §47605, subd. (b).)
- Grant or deny the petition within sixty days of receipt, subject to a thirty-day extension upon agreement of the parties. (EC §47605, subd.(b).)
- Monitor the performance of charter schools for which they have granted charters to determine if they have achieved their goals and objectives. (EC §47607.)
- Evaluate and decide upon requests for revision or extension of approved charters. (EC §47607.)

School districts may file only for the following activities for the period 1/1/99 to 6/30/99 and fiscal years 1999-00 through 2002-03, under *Charter Schools II*, program number 249, since new requirements for these activities were effective January 1, 1999:

- Provide persons to take part in a review panel to review the decision of the governing board of the school district and, if necessary, request the governing board of the school district to reconsider the charter request. (Former EC §47605, subd. (j).)[1]
- Respond to any request of the review panel selected and convened by the county superintendent of schools pursuant to an appeal of any petition denied by the school district. (Former EC §47605 subd. (j).)[1]

For fiscal year 2003-04 and subsequent years, school districts may file for all reimbursable activities listed in *Charter Schools II*, program 249, and pursuant to page 6 of the attached P's & G's, include the offset for supervisorial oversight if monitoring costs are claimed under:

B. School Districts and County Offices of Education

1. Monitoring: Renewal, Material Revision, and Revocation of the Charter[12]

[1] Effective January 1, 1999, this activity was replaced with the new requirements of Education Code section 47605, subdivision (j)(1),as amended by Statutes 1998, chapter 673.

[12] The fee authority established by Education Code section 47613 must be used by a school district or county office of education to offset any claimed reimbursement for the cost of these activities.

County Boards of Education

County Boards of Education can not file for the following activities under *Charter Schools II*, program number 249, for the period 1/1/99 to 6/30/99 and fiscal years 1999-00 through 2002-03, since these costs were already claimed under *Charter Schools*, program number 140:

- Monitor the performance of charter schools for which they have granted charters to determine if they have achieved their goals and objectives. (EC §47607.)
- Evaluate and decide upon requests for revision or extension of approved charters. (EC §47607.)

County Boards of Education may file only for the following activities for the period 1/1/99 to 6/30/99 and fiscal years 1999-00 through 2002-03 under *Charter Schools II*, program 249, since new requirements for these activities were effective January 1, 1999:

- Select and convene a review panel to review the decision of the governing board of the school district and if necessary, request the governing board of the school district to reconsider the charter request. (Former EC §47605, subds. (j)(1) and (j)(2).)[1]
- Hear a petition following a denial on reconsideration by the governing board of a school district. (Former EC §47605, subd. (j)(3).)[1]
- Conduct a public hearing within thirty days of receipt of a petition to determine community support for the petition. (Former EC §47605, subd. (j)(3).)[1]
- Grant or deny the petition within sixty days of receipt, subject to a thirty-day extension upon agreement of the parties. (Former EC §47605, subd. (j)(3).)[1]

For fiscal year 2003-04 and subsequent years, County Boards of Education may file for all reimbursable activities listed in *Charter Schools II*, program 249, and pursuant to page 6 of the attached P's & G's, include the offset for supervisorial oversight if monitoring costs are claimed under:

B. School Districts and County Offices of Education

1. Monitoring: Renewal, Material Revision, and Revocation of the Charter[12]

[1] Effective January 1, 1999, this activity was replaced with the new requirements of Education Code section 47605, subdivision (j)(1),as amended by Statutes 1998, chapter 673.

[12] The fee authority established by Education Code section 47613 must be used by a school district or county office of education to offset any claimed reimbursement for the cost of these activities.

Minimum Claim Cost

GC section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars ($1,000), provided that a county superintendent of schools may submit a combined claim on behalf of school districts within their county if the combined claim exceeds $1,000, even if the individual school district's claim does not each exceed $1,000. The county superintendent of schools shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school district. These combined claims may be filed only when the county superintendent of schools is the fiscal agent for the school districts. A combined claim must show the individual claim costs for each eligible school district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district provides a written notice of its intent to file a separate claim to the county superintendent of schools, and to the SCO, at least 180 days prior to the deadline for filing the claim.

Reimbursement of Claims

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

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

Audit of Costs

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

Pursuant to GC section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a claimant is subject to audit by the SCO no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the SCO to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities must be retained during the period subject to audit. If the SCO has initiated an audit during the period

subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

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

Retention of Claiming Instructions

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

Questions or requests for hard copies of these instructions should be faxed to Ginny Brummels at (916) 323-6527, or e-mailed to **LRSDAR@sco.ca.gov.** Or, if you wish, you may call the Local Reimbursements Section at (916) 324-5729.

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

Address for Filing Claims

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

If delivered by
U.S. Postal Service:

Office of the State Controller
Attn: Local Reimbursements Section
Division of Accounting and Reporting
P.O. Box 942850
Sacramento, CA 94250

If delivered by
other delivery services:

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

Adopted: December 2, 2003

CONSOLIDATION OF PARAMETERS AND GUIDELINES

Education Code Section 47605, Subdivision (b), and
former Subdivisions (j)(1), (j)(2), and (j)(3)
Education Code Section 47607, Subdivisions (a) and (b)

Statutes 1992, Chapter 781

Charter Schools (CSM 4437)

and

Education Code Sections 47605, Subdivisions (j)(1) and (k)(3),
47605.5, 47607, and 47614

Statutes 1998, Chapters 34 and 673

Charter Schools II (99-TC-03)

I. SUMMARY OF THE MANDATE

Charter Schools

On July 21, 1994, the Commission on State Mandates (Commission) adopted its Statement of Decision finding that Education Code sections 47605 and 47607, as added by Statutes 1992, chapter 781, require new activities related to initial charter school petitions and for monitoring and evaluating the performance of charter schools pertaining to the revision or renewal of approved charters, which constitute a new program or higher level of service for school districts and/or county offices of education within the meaning of article XIII B, section 6 of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514. Specifically, the Commission approved the *Charter Schools* test claim for the increased costs of performing the following activities:

School Districts

- Respond to requests from the public for information on the charter school program. (Ed. Code, § 47605.)
- Conduct a public hearing within thirty days of receipt of a petition to determine community support for the petition. (Ed. Code, § 47605, subd. (b).)
- Grant or deny the petition within sixty days of receipt, subject to a thirty-day extension upon agreement of the parties. (Ed. Code, § 47605, subd. (b).)
- Provide persons to take part in a review panel to review the decision of the governing board of the school district and, if necessary, request the governing board of the school district to reconsider the charter request. (Former Ed. Code, § 47605, subd. (j).)[1]

[1] Effective January 1, 1999, this activity was replaced with the new requirements of Education Code section 47605, subdivision (j)(1), as amended by Statutes 1998, chapter 673.

- Respond to any request of the review panel selected and convened by the county superintendent of schools pursuant to an appeal of any petition denied by the school district. (Former Ed. Code, § 47605, subd. (j).)[2]
- Monitor the performance of charter schools for which they have granted charters to determine if they have achieved their goals and objectives. (Ed. Code, § 47607.)
- Evaluate and decide upon requests for revision or extension of approved charters. (Ed. Code, § 47607.)

County Boards of Education

- Select and convene a review panel to review the decision of the governing board of the school district and, if necessary, request the governing board of the school district to reconsider the charter request. (Former Ed. Code, § 47605, subds. (j)(1) and (j)(2).)[3]
- Hear a petition following a denial on reconsideration by the governing board of a school district. (Former Ed. Code, § 47605, subd. (j)(3).)[4]
- Conduct a public hearing within thirty days of receipt of a petition to determine community support for the petition. (Former Ed. Code, § 47605, subd. (j)(3).)[5]
- Grant or deny the petition within sixty days of receipt, subject to a thirty-day extension upon agreement of the parties. (Former Ed. Code, § 47605, subd. (j)(3).)[6]
- Monitor the performance of charter schools for which they have granted charters to determine if they have achieved their goals and objectives. (Ed. Code, § 47607.)
- Evaluate and decide upon requests for revision or extension of approved charters. (Ed. Code, § 47607.)

The Commission determined that the following provisions of Education Code sections 47605 and 47607 did not impose a new program or higher level of service within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514, for school districts and county boards of education to:

- Plan and prepare procedures for implementation of the Charter Schools Act of 1992.

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[2] Effective January 1, 1999, this activity was replaced with the new requirements of Education Code section 47605, subdivision (j)(1), as amended by Statutes 1998, chapter 673.

[3] Effective January 1, 1999, this activity was replaced with the new requirements of Education Code section 47605, subdivision (j)(1), as amended by Statutes 1998, chapter 673.

[4] Effective January 1, 1999, this activity was replaced with the new requirements of Education Code section 47605, subdivision (j)(1), as amended by Statutes 1998, chapter 673.

[5] Effective January 1, 1999, this activity was replaced with the new requirements of Education Code section 47605, subdivision (j)(1), as amended by Statutes 1998, chapter 673.

[6] Effective January 1, 1999, this activity was replaced with the new requirements of Education Code section 47605, subdivision (j)(1), as amended by Statutes 1998, chapter 673.

- Disseminate information regarding charter schools to staff, students, parents, and the community.

Charter Schools II

On November 21, 2002, the Commission adopted its Statement of Decision finding that Education Code sections 47605, subdivisions (j)(1) and (k)(3), 47605.5, 47607, and 47614 require new activities, as specified below, which constitute new programs or higher levels of service for school districts and/or county offices of education within the meaning of article XIII B, section 6 of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514:

School Districts

- Review charter school petitions for renewal, when submitted directly to the governing board of the school district that initially denied the charter, prior to expiration of the charter granted by the State Board of Education. (Ed. Code, § 47605, subd. (k)(3).)
- Prior to revocation of a charter, the authority that granted the charter shall notify the charter public school of any violation of this section and give the school a reasonable opportunity to cure the violation, unless the authority determines, in writing, that the violation constitutes a severe and imminent threat to the health or safety of the pupils. (Ed. Code, § 47607, subd. (c).)
- Permit a charter school to use, at no charge, facilities not currently being used by the school district for instructional or administrative purposes, or that have not been historically used for rental purposes, provided the charter school shall be responsible for reasonable maintenance of those facilities. (Reimbursement for this activity is limited to administrative expenses resulting directly from the requirement to permit charter schools to utilize unused district facilities. Rental value of the facility is specifically excluded as a reimbursable expense.) (Ed. Code, § 47614.)

County Offices of Education

- Review charter school petitions submitted directly to the county board of education, pursuant to Education Code section 47605, subdivision (b), when the governing board of a school district denies a charter school petition and the charter school petitioner submits the petition to the county board of education. (Ed. Code, § 47605, subd. (j)(1).)
- Review charter school petitions submitted directly to the county board of education, in the same manner as set forth in Education Code section 47605, for charter schools that will serve pupils for whom the county office of education would otherwise be responsible for providing direct education and related services. (Ed. Code, § 47605.5.)
- Prior to revocation of a charter, the authority that granted the charter shall notify the charter public school of any violation of this section and give the school a reasonable opportunity to cure the violation, unless the authority determines, in writing, that the violation constitutes a severe and imminent threat to the health or safety of the pupils. (Ed. Code, § 47607, subd. (c).)

The Commission also found that Education Code section 47613 establishes a fee authority that must be used by a school district or county office of education to offset any claimed reimbursement for the costs of charter school supervisorial oversight under the *Charter Schools* Parameters and Guidelines.

In addition, the Commission found that Education Code sections 47602, 47604, 47613, 47613.5, 47614 and California Department of Education Memorandum dated April 28, 1999, do not require any additional mandatory activities of school districts or county offices of education, and therefore, do not impose a new program or higher level of service.

II. ELIGIBLE CLAIMANTS

Any "school district," as defined in Government Code section 17519, except for community colleges, which incurs increased costs as a result of this mandate, is eligible to claim reimbursement. Charter schools are not eligible claimants.

III. PERIOD OF REIMBURSEMENT

Government Code section 17557 states that a test claim must be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. Although the *Charter Schools II* test claim was filed on August 24, 1999, which establishes a reimbursement period beginning July 1, 1998, the test claim legislation was not operative until January 1, 1999. Therefore, this consolidated set of parameters and guidelines is operative for costs incurred from January 1, 1999, and beyond.

Education Code section 47614, as added by Statutes 1998, chapter 34, was replaced by voter approval of Proposition 39, which was operative November 8, 2000. Therefore, costs incurred for compliance with Education Code section 47614 is only reimbursable for the period January 1, 1999, through November 7, 2000.

Costs for *Charter Schools* (CSM 4437) that have been claimed for fiscal years 1998-1999, 1999-2000, 2000-2001, 2001-2002, and 2002-2003 as of the effective date of these parameters and guidelines pursuant to the State Controller's claiming instructions for Program 140 may not be claimed and are not reimbursable under these parameters and guidelines.

Actual costs for one fiscal year should be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within 120 days of the issuance of the State Controller's claiming instructions.

If total costs for a given year do not exceed $1,000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

IV. REIMBURSABLE ACTIVITIES

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

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

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

For each eligible claimant, the following activities are reimbursable:

Charter Schools[7]

A. School Districts

1. Responding to information requests

   Provide information, upon request, to the community regarding the Charter Schools Act of 1992 and governing board's charter policy and procedures. (Ed. Code, § 47605.)[8]

2. Evaluating petitions

   Review and evaluate qualified charter petitions for compliance with criteria for the granting of charters. (Ed. Code, § 47605.)[9]

3. Public hearings

   Prepare for public hearings, to be done within thirty days of receiving the petition, to consider the level of community support for a charter school petition, and grant or deny the charter school petition within sixty days of receiving the petition, subject to one thirty-day continuance by agreement of the parties, pursuant to Education Code section 47605. (Ed. Code, § 47605.)[10]

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[7] Effective January 1, 1999, many activities from the original *Charter Schools* Parameters and Guidelines were amended by Statutes 1998, chapters 34 and 673, and are reflected in the *Charter Schools II* activities.)

[8] As added by Statutes 1992, chapter 781.

[9] As added by Statutes 1992, chapter 781.

[10] As added by Statutes 1992, chapter 781.

B. School Districts and County Offices of Education[11]

1. Monitoring: Renewal, Material Revision, and Revocation of the Charter[12]

   a. Review, analyze, and report on the charter school's performance for purposes of charter reconsideration, renewal, revision, evaluation, or revocation by the governing body. (Ed. Code, § 47607, subds. (a) and (b).)[13]

   b. Evaluate and decide upon material revisions, renewals, or revocations of charters. (Ed. Code, § 47607, subds. (a) and (b).)[14]

Charter Schools II

A. School Districts

1. Review charter school petitions for renewal that are submitted directly to the governing board of the school district that initially denied the charter.[15] Pursuant to Education Code section 47605, subdivision (k)(3), the petition must be submitted prior to expiration of the charter granted by the State Board of Education. (Ed. Code, § 47605, subd. (k)(3).)[16]

2. Notify the charter public school of any violation of Education Code section 47607, subdivision (b), prior to revocation of a charter. Pursuant to Education Code section 47607, subdivision (c), the school shall be given a reasonable opportunity to cure the violation, unless the authority determines, in writing, that the violation constitutes a severe and imminent threat to the health or safety of the pupils. (Ed. Code, § 47607, subd. (c).)[17]

B. County Offices of Education

1. Review charter school petitions submitted directly to the county board of education, pursuant to Education Code section 47605, subdivision (b):

   a. When the governing board of a school district denies a charter school petition and the charter school petitioner submits the petition to the county board of education. (Ed. Code, § 47605, subd. (j)(1).)[18]

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[11] See section VII. Offsetting Savings and Reimbursements.

[12] The fee authority established by Education Code section 47613 must be used by a school district or county office of education to offset any claimed reimbursement for the cost of these activities.

[13] As added by Statutes 1992, chapter 781.

[14] As added by Statutes 1992, chapter 781.

[15] Each renewal is for a period of five years.

[16] As amended by Statutes 1998, chapter 673.

[17] As amended by Statutes 1998, chapter 34.

[18] As amended by Statutes 1998, chapter 673. As amended by Statutes 1998, chapter 673. This replaces the previously approved activity in the original *Charter Schools* Parameters and Guidelines related to "Petition Appeals." (Ed. Code, § 47605, subd. (j), as added by Stats. 1992, ch. 781; replaced by Stats. 1998, ch. 673.)

b. For charter schools that will serve pupils for whom the county office of education would otherwise be responsible for providing direct education and related services. (Ed. Code, § 47605.5.)[19]

2. Notify the charter public school of any violation of Education Code section 47607, subdivision (b), prior to revocation of a charter. Pursuant to Education Code section 47607, subdivision (c), the school shall be given a reasonable opportunity to cure the violation, unless the authority determines, in writing, that the violation constitutes a severe and imminent threat to the health or safety of the pupils. (Ed. Code, § 47607, subd. (c).)[20]

V. CLAIM PREPARATION AND SUBMISSION

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

A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. Direct costs that are eligible for reimbursement are:

1. Salaries and Benefits

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

2. Materials and Supplies

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

3. Contracted Services

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

4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for

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[19] As added by Statutes 1998, chapter 34.

[20] As amended by Statutes 1998, chapter 34.

purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

5. Travel

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

B. Indirect Cost Rates

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

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

School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.

County offices of education must use the J-580 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.

VI. RECORD RETENTION

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter[21] is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

VII. OFFSETTING SAVINGS AND REIMBURSEMENTS

Any offsetting savings the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, including but

[21] This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

not limited to, service fees collected, federal funds, and other state funds, shall be identified and deducted from this claim.

Education Code section 47613 establishes a fee authority that must be used by a school district or county office of education to offset any claimed reimbursement for the costs of charter school supervisorial oversight under the *Charter Schools* Parameters and Guidelines. This refers to activity B. 1. under *Charter Schools* in section IV. of these parameters and guidelines.

VIII. STATE CONTROLLER'S CLAIMING INSTRUCTIONS

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

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

IX. REMEDIES BEFORE THE COMMISSION

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

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

X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

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

CLAIM FOR PAYMENT
Pursuant to Government Code Section 17561
CHARTER SCHOOLS II

For State Controller Use Only
(19) Program Number 00249
(20) Date Filed ____/____/____
(21) LRS Input ____/____/____

Program 249

LABEL HERE

(01) Claimant Identification Number

(02) Claimant Name

County of Location

Street Address or P.O. Box | Suite

City | State | Zip Code

Reimbursement Claim Data	
(22) CS-1, (04)(1)(f)	
(23) CS-1, (04)(2)(f)	
(24) CS-1, (04)(3)(f)	
(25) CS-1, (04)(1)(a)(f)	
(26) CS-1, (04)(1)(b)(f)	
(27) CS-1, (04)(A)(1)(f)	
(28) CS-1, (04)(A)(2)(f)	
(29) CS-1, (04)(B)(1)(a)(f)	
(30) CS-1, (04)(B)(1)(b)(f)	
(31) CS-1, (04)(B)(2)(f)	
(32) CS-1, (06)	
(33) CS-1, (07)	
(34) CS-1, (09)	
(35) CS-1, (10)	
(36)	

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☐
Fiscal Year of Cost	(06) ____/ ____	(12) ____/ ____
Total Claimed Amount	(07)	(13)
Less: **10% Late Penalty**		(14)
Less: **Prior Claim Payment Received**		(15)
Net Claimed Amount		(16)
Due from State	(08)	(17)
Due to State		(18)

(37) CERTIFICATION OF CLAIM

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

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

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

Signature of Authorized Officer | Date

Type or Print Name | Title

(38) Name of Contact Person for Claim

Telephone Number ( ) - Ext.

E-Mail Address

Program 249	CHARTER SCHOOLS II Certification Claim Form Instructions	FORM FAM-27

(01) Enter the payee number assigned by the State Controller's Office.

(02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.

(03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.

(04) If filing a combined estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined

(05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.

(06) Enter the fiscal year in which costs are to be incurred.

(07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form CS-1 and enter the amount from line (11).

(08) Enter the same amount as shown on line (07).

(09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.

(10) If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.

(11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.

(12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 and supporting schedules for each fiscal year.

(13) Enter the amount of the reimbursement claim from form CS-1, line (11). The total claimed amount must exceed $1,000.

(14) Reimbursement claims must be filed by **June 7, 2004**, or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor (0.10% penalty).

(15) If filing an actual reimbursement claim, and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.

(16) Enter the result of subtracting line (14), and line (15), from line (13).

(17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.

(18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.

(19) to (21) Leave blank.

(22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g. CS-1, (04)(1)(a)(f), means the information is located on form CS-1, block (04)(1), line (a), column (f). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process**.

(37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the district's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification**.

(38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

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

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

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

Address, if delivered by other delivery service:

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

Program 249	MANDATED COSTS CHARTER SCHOOLS II CLAIM SUMMARY	FORM CS-1

(01) Claimant	(02) Type of Claim Reimbursement ☐ Estimated ☐	Fiscal Year ___ / ___

Claim Statistics

(03) Leave blank.

Direct Costs		**Object Accounts**					
(04) Reimbursable Activities		(a)	(b)	(c)	(d)	(e)	(f)
		Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel	Total
Charter Schools I - A. School Districts							
1.	Responding to Information Requests						
2.	Evaluating Petitions						
3.	Public Hearings						
Charter Schools I - B. SD's & COE							
1.	**Monitoring: Renewal, Material Revision, Revocation of Charter**						
a.	Review, Analyze, and Report on Charter School's Performance						
b.	Evaluate and Decide upon Revisions, Renewals, or Revocations of Charters						
Charter Schools II – A. School Districts							
1.	Review of Charter School Renewal Petitions Submitted to the SD						
2.	Notify Charter School of Violation of EC §47607, subd. (b) and (c)						
Charter Schools II – B. COE							
1.	**Review Charter School Petitions**						
a.	Denied Charter Petitions Submitted to CBOE						
b.	Petitions for Charter Schools						
2.	**Notification to Charter Public School of Violation of EC §47607, subd. (b), and (c)**						
(05) Total Direct Costs							

Indirect Costs		
(06) Indirect Cost Rate	[From J-380 or J-580]	%
(07) Total Indirect Costs	[Line (06) x line (05)(a)]	
(08) Total Direct and Indirect Costs	[Line (05)(f) + line (07)]	
Cost Reduction		
(09) Less: Offsetting Savings		
(10) Less: Other Reimbursements		
(11) Total Claimed Amount	[Line (08) - {line (09) + line (10)}]	

Program 249	CHARTER SCHOOLS II CLAIM SUMMARY Instructions	FORM CS-1

(01) Enter the name of the claimant.

(02) Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.

Form CS-1 must be filed for a reimbursement claim. Do not complete form CS-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form CS-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.

(03) Leave blank.

(04) For each reimbursable activity, enter the total from form CS-2, line (05), columns (d) through (h) to form CS-1, block (04), columns (a) through (e) in the appropriate row. Total each row.

(05) Total columns (a) through (f).

(06) Enter the indirect cost rate from the Department of Education form J-380 or J-580 as applicable for the fiscal year of costs.

(07) Enter the result of multiplying Total Salaries and Benefits, line (05)(a), by the Indirect Cost Rate, line (06).

(08) Enter the sum of Total Direct Costs, line (05)(f), and Total Indirect Costs, line (07).

(09) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim. The fee authority established by Education Code 47613 must be used by a school district or county office of education to offset any claimed reimbursement for the cost of these activities.

(10) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, that reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.

(11) From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

Program 249	MANDATED COSTS CHARTER SCHOOLS II ACTIVITY COST DETAIL	FORM CS-2

(01) Claimant

(02) Fiscal Year

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

School Districts	☐ Responding to Information Requests	☐ Evaluating Petitions	☐ Public Hearings
SD's & COE's	☐ Review, Analyze, & Report on Charter School's Performance	☐ Evaluate, & Decide upon Revisions, Renewals, or Revocations of Charters	
School Districts	☐ Review of Charter School Renewal Petitions Submitted to the SD	☐ Notify Charter School of Violation of EC §47607, subd. (b)	
COE's	☐ Denied Charter Petitions Submitted to CBOE	☐ Petitions for Charter Schools	☐ Notification to Charter Public School of Violation of EC §47607, subd.(b)

(04) Description of Expenses			**Object Accounts**				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
(05) Total ☐ Subtotal ☐ Page:____of____							

Program 249	CHARTER SCHOOLS II ACTIVITY COST DETAIL Instructions	FORM CS-2

(01) Claimant. Enter the name of the claimant.

(02) Enter the fiscal year for which costs were incurred.

(03) Check the box which indicates the cost activity being claimed. Check only one box per form. A separate form CS-2 shall be prepared for each applicable activity.

(04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, and travel and training expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

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

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