OFFICE OF THE STATE CONTROLLER

STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2003-20

SCHOOL DISTRICT REORGANIZATION

OCTOBER 6, 2003

Revised October 15, 2010

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 School District Reorganization (SDR) program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (CSM).

On October 24, 2002, CSM, determined that Education Code Sections 35704, 35705.5, and 35707, as added or amended by Chapter 1192, Statutes of 1980, and Chapter 1186, Statutes of 1994, established costs mandated by the State according to the provisions listed in the P's & G's. For your reference, the P's and G's are included as an integral part of the claiming instructions.

Eligible Claimants

Any county superintendent of schools or county office of education, within the meaning of GC Section 17519, that incurs increased costs as a direct result of this mandate is eligible to claim reimbursement.

Filing Deadlines

A. Reimbursement Claims

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

An actual claim may be filed by February 15 following the fiscal year in which costs were incurred. If the filing date falls on a weekend or holiday, the filing deadline will be the next business day. Claims for fiscal year 2009-10 will be accepted without penalty if postmarked or delivered on or before **February 15, 2011**. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed $10,000. **Claims filed more than one year after the deadline will not be accepted.**

B. Late Penalty

1. Initial Claims

Late initial claims are assessed a late penalty of 10% of the total amount of the initial claims without limitation.

2. Annual Reimbursement Claims

Annual reimbursement claims must be filed by February 15 of the following fiscal year in which costs were incurred or the claims will be reduced by a late penalty.

Late annual reimbursement claims are assessed a late penalty of 10% of the claim amount; $10,000 maximum penalty.

Minimum Claim Cost

GC Section 17564(a) provides that no claim may 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 will determine if the submission of the combined claim is economically feasible and 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 districts. A combined claim must show the individual claim costs for each eligible school district. All subsequent claims based upon the same mandate will 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 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. These costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating: "I certify (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, these documents cannot be substituted for source documents.

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

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, Subdivision (a), a reimbursement claim for actual costs filed by a 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 Controller to initiate an audit will 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 an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents must be made available to the SCO on request.

Retention of Claim Documentation

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 last amended regardless of the year of costs incurred. If no funds were 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. Therefore, all documentation to support actual costs claimed must be retained for the same period, and must be made available to the SCO on request.

Address for Filing Claims

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 700
Sacramento, CA 95816

Mandated costs claiming instructions and forms are available online at the SCO's Web site: **www.sco.ca.gov/ard_mancost.html.** If you have any questions, call the Local Reimbursements Section at (916) 324-5729 e-mail or **LRSDAR@sco.ca.gov.**

Adopted: July 31, 2003

PARAMETERS AND GUIDELINES

Education Code Sections 35704, 35705.5, and 35707

Statutes of 1980, Chapter 1192
Statutes of 1994, Chapter 1186

School District Reorganization

I. SUMMARY OF THE MANDATE

On October 24, 2002, the Commission on State Mandates (Commission) adopted its Statement of Decision finding that Education Code sections 35704, 35705.5, and 35707 impose new activities upon county offices of education. The Commission further found that these activities represent new programs or higher levels of service for 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 for school district reorganizations initiated by voters, landowners or district governing boards.

The Commission approved this test claim for the following specific new activities:

A. **Petition transmittal:** pursuant to Education Code sections 35704 and 35707, subdivision (b), that require the county superintendent to transmit a reorganization petition to the county committee and State Board of Education (State Board). This requirement varies depending on the type of reorganization action because only the new activity, not required under the former codes, constitutes the higher level of service. The new activities are:

   1. for new district formation, transmittal to the county committee;
   2. for consolidation, i.e., formation of a new elementary, high school, community college or unified district by combining districts of the same kind, transmittal to both the State Board and a county committee;
   3. for formation of a consolidated high school district, transmittal to the State Board;
   4. for annexation, transmittal to the county committee and State Board;
   5. for transfers of component elementary districts to high school districts, or component high school districts to community college districts, transmittal to the county committee;
   6. for transfers of territory, transmittal to the State Board; and
   7. for dissolutions of districts, transmittal to both the county committee and State Board.

B. **Petition description:** pursuant to Education Code section 35705.5, subdivision (b), that requires county committees and superintendents to make the petition description, as specified, available to the public and the school district governing boards affected by the petition.

C. **Committee report:** pursuant to Education Code section 35707, subdivision (a), that requires a report by the county committee to include specified items.

II. ELIGIBLE CLAIMANTS

Any county superintendent of schools or county office of education within the meaning of Government Code section 17519 that incurs increased costs because of this mandate is eligible to claim reimbursement.

III. PERIOD OF REIMBURSEMENT

Government Code section 17557 requires that a test claim must be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The test claim for this mandate was submitted on June 30, 1999, therefore all mandated costs incurred on or after July 1, 1997 are eligible for reimbursement.

Actual costs for one fiscal year shall 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 release of claiming instructions by the State Controller.

If the total costs for a given fiscal year do not exceed $1,000, no reimbursement shall be allowed, except as otherwise provided for 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, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge," 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 eligible for reimbursement for school district reorganizations initiated by voters or property owners (but not for those initiated by school district governing boards):

A. Transmitting reorganization petitions by the county superintendent of schools to the county committee on school district reorganization and/or the State Board of Education, depending on the type of reorganization, as specified below (Ed. Code, § 35704.):

1. Reorganization petition proposing a new district formation: transmittal to the county committee on school district reorganization;
2. Reorganization petition proposing a consolidation, i.e., formation of a new elementary, high school, or community college or unified district: transmittal to the county committee on school district reorganization and the State Board of Education;
3. Reorganization petition proposing a formation of a consolidated high school district: transmittal to the State Board of Education;
4. Reorganization petition proposing an annexation: transmittal to the county committee on school district reorganization and the State Board of Education;
5. Reorganization petitions proposing a transfer of component elementary districts to high school districts or component high school districts to community college districts: transmittal to the county committee on school district reorganization;
6. Reorganization petition proposing a transfer of territory: transmittal to the State Board of Education;
7. Reorganization petition proposing a dissolution of a district: transmittal to the county committee on school district reorganization and the State Board of Education).

NOTE: Education Code section 35704 requirements to examine the petition for sufficiency and the signatures required by law are not eligible reimbursable activities.

B. Preparing a description of the petition for school district reorganization, that includes the following items (Ed. Code, § 35705.5, subd. (b)):

1. The rights of the employees in the affected districts to continued employment;
2. The revenue limit per unit of average daily attendance for each affected district and the effect of the petition, if approved, on such revenue limit;
3. Whether the districts involved will be governed, in part, by provisions of a city charter and, if so, in what way;
4. Whether the governing boards of any proposed new district will have five or seven members;
5. A description of the territory or districts in which the election, if any, will be held;
6. Where the proposal is to create two or more districts, whether the proposal will be voted on as a single proposition;
7. Whether the governing board of any new district will have trustee areas and, if so, whether the trustees will be elected by only the voters of that trustee area or by the voters of the entire district;
8. A description of how the property, obligations, and bonded indebtedness of existing districts will be divided; and

9. A description of when the first governing board of any new district will be elected and how the terms of office for each new trustee will be determined.

NOTE: The information to prepare the description of the petition is preexisting (e.g., the petition, the record of action of the county committee). Therefore, the Education Code section 35705.5, subdivision (b) requirement does not include analyzing, researching or determining the information. Therefore, these activities are not eligible for reimbursement.

C. Post or make the petition description available to the public and to the school district governing boards affected by the petition for inspection at the county office of education or county superintendent's office, to include the nine items in IV.B above, at least 10 days before the public hearing or hearings on the petition. (Ed. Code, § 35705.5 subd. (b).)

D. Reporting to the State Board of Education on whether any of the following, in the opinion of the county committee on school district reorganization, would be true regarding the proposed reorganization as described in the petition (Ed. Code, § 35707 subd. (a).):

1. It would adversely affect the school district organization of the county.
2. It would comply with the provisions of Section 35753, as follows:
    a. The new districts will be adequate in terms of number of pupils enrolled.
    b. The districts are each organized on the basis of a substantial community identity.
    c. The proposal will result in an equitable division of property and facilities of the original district or districts.
    d. The reorganization of the districts will not promote racial or ethnic discrimination or segregation.
    e. The proposed reorganization will not result in any substantial increase in costs to the state.
    f. The proposed reorganization will not significantly disrupt the educational programs in the proposed districts and districts affected by the proposed reorganization and will continue to promote sound education performance in those districts.
    g. The proposed reorganization will not result in a significant increase in school housing costs.
    h. The proposed reorganization is not primarily designed to result in a significant increase in property values causing financial advantage to property owners because territory was transferred from one school district to an adjoining district.
    i. The proposed reorganization will not cause a substantial negative effect on the fiscal management or fiscal status of the proposed district or any existing district affected by the proposed reorganization.

j. Any other criteria as the board may, by regulation, prescribe.[1]

V. CLAIM PREPARATION AND SUBMISSION

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

A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. 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 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

[1] Any regulations adopted pursuant to Education Code section 35753, subd. (a)(10) are not part of these parameters and guidelines. Therefore, any additional activities imposed by such regulations are not reimbursable under these parameters and guidelines.

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.

County offices of education must use the J-580 (or subsequent replacement) nonrestrictive 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[2] 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 not limited to, service fees collected, federal funds and other state funds shall be identified and deducted from this claim.

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.

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

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.

SCHOOL DISTRICT REORGANIZATION CLAIM FOR PAYMENT	For State Controller Use Only (19) Program Number 00228 (20) Date Filed (21) LRS Input	PROGRAM 228

(01) Claimant Identification Number			Reimbursement Claim Data	
(02) Claimant Name			(22) FORM-1, (04)(A)(f)	
County of Location			(23) FORM-1, (04)(B)(f)	
Street Address or P.O. Box		Suite	(24) FORM-1, (04)(C)(f)	
City	State	Zip Code	(25) FORM-1, (04)(D)(f)	
		Type of Claim	(26) FORM-1, (06)	
	(03)	(09) Reimbursement ☐	(27) FORM-1, (07)	
	(04)	(10) Combined ☐	(28) FORM-1, (09)	
	(05)	(11) Amended ☐	(29) FORM-1, (10)	
Fiscal Year of Cost	(06)	(12)	(30)	
Total Claimed Amount	(07)	(13)	(31)	
Less: **10% Late Penalty** (refer to attached Instructions)		(14)	(32)	
Less: **Prior Claim Payment Received**		(15)	(33)	
Net Claimed Amount		(16)	(34)	
Due from State	(08)	(17)	(35)	
Due to State		(18)	(36)	

(37) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 and 17561, I certify that I am the officer authorized by the school district or county office of education to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 of the Government Code.

I further certify that there was no application other than from the claimant, nor any grant(s) or payment(s) received, for reimbursement of costs claimed herein; claimed costs are for a new program or increased level of services of an existing program; and claimed amounts do not include charter school costs, either directly or through a third party. All offsetting savings and reimbursements set forth in the parameters and guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amount for this reimbursement is hereby claimed from the State for payment of actual costs set forth on the attached statements.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer

Date Signed _____

Telephone Number _____

E-mail Address _____

Type or Print Name and Title of Authorized Signatory

(38) Name of Agency Contact Person for Claim

Telephone Number _____

E-mail Address _____

Name of Consulting Firm / Claim Preparer

Telephone Number _____

E-mail Address _____

PROGRAM 228	SCHOOL DISTRICT REORGANIZATION CLAIM FOR PAYMENT INSTRUCTIONS	FORM FAM-27

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

(02) Enter claimant official name, county of location, street or postal office box address, city, state, and zip code.

(03) to (08) Leave blank.

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

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

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

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

(13) Enter the amount of the reimbursement claim as shown in the attached Form-1 line (11). The total claimed amount must exceed $1,000.

(14) Initial claims must be filed as specified in the claiming instructions. Annual reimbursement claims must be filed by **February 15** of the following fiscal year in which costs were incurred or the claims must be reduced by a late penalty. Enter zero if the claim is timely filed. Otherwise, enter the penalty amount as a result of the calculation formula as follows:

- Late Initial Claims: FAM-27 line(13) multiplied by 10%, without limitation; or
- Late Annual Reimbursement Claims: FAM-27, line (13) multiplied by 10%, late penalty not to exceed $10,000.

(15) Enter the amount of payment, if any, received for the claim. If no payment was received, enter zero.

(16) Enter the net claimed amount by subtracting the sum of lines (14) and (15) from line (13).

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

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

(19) to (21) Leave blank.

(22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., Form-1, (04)(A)(f), means the information is located on form Form-1, line (04)(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 of Certification of Claim. The claim must be dated, signed by the agency's authorized officer, and must type or print name, title, telephone number and E-mail address. **Claims cannot be paid unless accompanied by an original signed certification**. **(To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**

(38) Enter the name, telephone number, and E-mail address of the agency contact person for the claim. If claim is prepared by external consultant, type or print the name of the consulting firm, telephone number, and e-mail address.

SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS 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 700
Sacramento, CA 95816

Program 228	SCHOOL DISTRICT REORGANIZATION CLAIM SUMMARY	FORM 1

(01) Claimant	(02) Fiscal Year ___/ ___

Claim Statistics

(03) Leave Blank

Direct Costs		**Object Accounts**					
(04) Reimbursable Activities		(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel	(f) Total
A.	Transmitting Reorganization Petitions						
B.	Preparing a Description of the Petition						
C.	Posting & Making Description Available						
D.	Reporting to State Board of Education						
(05) Total Direct Costs							

Indirect Costs

(06) Indirect Cost Rate	[Refer to claiming instructions]	%
(07) Total Indirect Costs	[Line (05)(f) - line (05)(d) - $] x line (06)	
(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 228	SCHOOL DISTRICT REORGANIZATION CLAIM SUMMARY INSTRUCTIONS	FORM 1

(01) Enter the name of the claimant.

(02) Enter the fiscal year of costs.

(03) Leave blank.

(04) For each reimbursable activity, enter the totals from Form 2, line (05), columns (d) through (h), to Form 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 Restricted Indirect Cost Rates for K-12 Local Educational Agencies (LEAs) Five Year Listing issued by the California Department of Education (CDE) School Fiscal Services Division, for the fiscal year of costs.

(07) Total Indirect Costs. From the Total Direct Costs, line (05)(f), deduct Total Fixed Assets, line (05)(d), and any other item excluded from indirect cost distribution base in accordance with CSAM Procedure 915. Enter zero if there are no exclusions.

(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.

(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, which 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 (13) for the Reimbursement Claim.

Program 228	SCHOOL DISTRICT REORGANIZATION ACTIVITY COST DETAIL	FORM 2

(01) Claimant

(02) Fiscal Year

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

☐ Transmitting Reorganization Petitions

☐ Preparing a Description of the Petition

☐ Posting & Making Description Available

☐ Reporting to State Board of Education

(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
(05) Total ☐ Subtotal ☐ Page:____of____							

Program 228	SCHOOL DISTRICT REORGANIZATION ACTIVITY COST DETAIL INSTRUCTIONS	FORM 2

(01) Enter the name of the claimant.

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

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

(04) 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 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 will be three years from the date of initial payment of the claim. Such documents must be made available to the SCO 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 Activities	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
Benefits		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 Cost			Copy of Contract
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage		
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	

(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 component/activity costs, number each page. Enter totals from line (05), columns (d) through (h) to Form 1, block (04), columns (a) through (e) in the appropriate row.