

# Pupil Residency Verification and Appeals

## 1. Summary of Chapter 309/95

Education Code Sections 48204.5 and 48204.6, Revenue and Taxation Code Section 97.3, and Section 5 of Chapter 309, Statutes of 1995, as added and amended by Chapter 309, Statutes of 1995, require any school district adjacent to an international border to make reasonable efforts, if a district employee reasonably believes that the parent or guardian of a pupil has provided false or unreliable evidence of residency, to determine that the pupil actually meets the residency requirements. In addition, Imperial and San Diego County Superintendents of Schools are prohibited from allocating funds to any school district that has not adopted an appeals procedure for a pupil whose parent or guardian has failed to adequately verify that the pupil meets residency requirements.

On June 24, 1999, the Commission on State Mandates determined that Chapter 309, Statutes of 1995, resulted in state mandated costs that are reimbursable pursuant to Part 7 (commencing with Government Code Section 17500) of Division 4 of Title 2.

## 2. Eligible Claimants

With the exception of community colleges, any school district, as defined in Government Code Section 17519, that is adjacent to an international border and incurs increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

## 3. Appropriations

These claiming instructions are issued following the adoption of the amended parameters and guidelines by the Commission on State Mandates. Funding for payment of initial claims covering fiscal period August 3, 1995, through June 30, 1996, and fiscal years 1996-97, 1997-98, 1998-99, and 1999-00 may be available in a future appropriation act subject to the approval of the Legislature and the Governor.

To determine if this program is funded in subsequent fiscal years, refer to the schedule "Appropriation for State Mandated Cost Programs" in the *Annual Claiming Instructions for State Mandated Costs* issued in October of each year to county superintendents of schools and superintendents of schools.

### A. Reimbursement and Estimated Claims

A claimant may file a reimbursement 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) of the Government Code provides that no claim shall be filed pursuant to Section 17561 unless such a claim exceeds \$200 per program per fiscal year. However, any county superintendent of schools, as the fiscal agent for the district, may submit a combined claim in excess of \$200 on behalf of districts within the county even if an individual district's claim does not exceed \$200. A combined claim must show the individual claim costs for each school district. Once a combined claim is filed, all subsequent fiscal years relating to the same mandate must be filed in a combined form. The county superintendent receives the reimbursement payment and is responsible for disbursing funds to each participating district. A school district may withdraw from the combined claim form by providing the county superintendent and the State Controller's Office with a written notice of its intent to file a separate claim at least 180 days prior to the deadline for filing the claim.

#### 4. Filing Deadline

##### A. Initial Claims

Pursuant to Government Code Section 17561, Subdivision (d)(3), initial claims must be filed within 120 days from the issuance date of claiming instructions. Accordingly:

Reimbursement claims detailing the actual costs incurred for the period August 3, 1995, through June 30, 1996, and the 1996-97, 1997-98, and 1998-99 fiscal years must be filed with the State Controller's Office and postmarked by August 29, 2000. If the reimbursement claim is filed after the deadline of August 29, 2000, the approved claim must be reduced by a penalty of 10%, not to exceed \$1,000. Claims filed more than one year after the deadline will not be accepted.

Estimated claims for costs to be incurred during the 1999-00 fiscal year must be filed with the State Controller's Office and postmarked by August 29, 2000. Timely filed estimated claims are paid before late claims. If a payment is received for the estimated claim, a 1999-2000 reimbursement claim must be filed by January 15, 2001.

##### B. Annually Thereafter

Refer to the item "Reimbursable State Mandated Cost Programs," contained in the cover letter for mandated cost programs issued annually in October that identifies the fiscal years for which claims may be filed. If an "x" is shown for the program listed under "19\_\_/19\_\_ Reimbursement Claim" and/or "19\_\_/20\_\_ Estimated Claim," claims may be filed as follows:

- (1) An estimated claim filed with the State Controller's Office must be postmarked by January 15 of the fiscal year in which the costs will 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 January 15 of the following fiscal year. If the school district fails to file a reimbursement claim, monies received for the estimated claim must be returned to the State. If no estimated claim was filed, the school district 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. For information regarding appropriations for reimbursement claims refer to the "Appropriation for State Mandated Cost Programs" in the previous fiscal year's annual claiming instructions.

- (2) A reimbursement claim detailing the actual costs must be filed with the State Controller's Office and postmarked by January 15 following the fiscal year in which the costs will be incurred. If the claim is filed after the deadline but by January 15 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.

#### 5. Reimbursable Activities

For each eligible claimant, all direct and indirect costs of labor, materials and supplies, contract services, equipment, training, and travel for the following activities only are eligible for reimbursement:

##### A. Determination of Pupil's Residency

Any reasonable effort to determine a pupil's residency, if the verification occurs at a time other than the annual residency verification required under Title 5, California Code of Regulations, Section 432.

**B. Adoption of Appeal Procedure**

The one-time activity of adopting an appeals procedure, substantially similar to Mountain Empire Unified School District's<sup>1</sup>, for pupils who fail to adequately verify their residency.

**C. On-going Activities**

On-going activities related to the appeals procedure for pupils who fail to adequately verify their residency, including:

- (1) Notifying a pupil 18 years or older or the parent or guardian of a pupil under 18 years of age of the administrative determination that the pupil failed to adequately verify residency.
- (2) Receipt and evaluation of the request to appeal the proposed exclusion of the pupil.
- (3) Arranging and conducting a formal conference to discuss the proposed exclusion of the pupil.
- (4) Providing the pupil or parent/guardian, for inspection purposes only, the documentation supporting the administrative determination that the pupil failed to adequately verify residency.
- (5) Providing a written report of the final decision to a pupil 18 years or older, or the parent/guardian of a pupil under 18 years of age, and the governing board.

**6. Reimbursement Limitations**

- A.** Any offsetting savings or reimbursement the claimant received from any source including, but not limited to, service fees collected under the Public Records Act (Gov. Code § 6250, et al.), federal funds, and other state funds as a direct result of this mandate shall be identified and deducted so only net local cost is claimed.
- B.** Any portion of the \$147,575 appropriated by Chapter 309, Statutes of 1995, for allocation to the Imperial and San Diego County Superintendents of Schools shall be treated as an offset.
- C.** Chapter 309, Statutes of 1995, Subdivision (b), authorized an annual appropriation in the Budget Act for subsequent fiscal years for this purpose. These funds shall be treated as an offset.

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<sup>1</sup> Appeal to the Governing Board

Any parent or guardian who receives determination of non-residency from the hearing officer may appeal such ruling to the Governing Board. Such appeal must be filed within ten (10) days of the hearing officer's decision. Such appeal must be presented to the District Superintendent within the ten-day period. If not so represented, the hearing officer's decision regarding exclusion shall become final.

Any parent or guardian who files an appeal with the Governing Board shall be accorded the following rights:

- 1) The child may continue to attend school during the period of the appeal.
- 2) The parent or guardian shall have the right to have a representative present to assist in presenting the appeal to the Governing Board.
- 3) The parent or guardian shall have the right to give rebuttal to any evidence and to question any witness presented by the District.
- 4) The parent or guardian shall have the right to present oral and/or documentary evidence on the child's behalf, including witnesses.

The appeal before the Governing Board shall be limited to a review of all evidence that was considered at the time of the administrative hearing. Except in cases where good cause is shown, the Governing Board will not reopen the record to consider evidence or argument that was not presented at the time of the administrative hearing. The decision of the Governing Board shall be final. Such decision shall be mailed to the parent or guardian as soon as practical following the conclusion of the appeal process.

## 7. Claim 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 PRVA-1 and PRVA-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 or reimbursement claims. The State Controller's Office will revise the manual and claim forms as necessary.

### A. Form PRVA-2, Component/Activity Cost Detail

This form is used to segregate the detailed costs by claim component. A separate form PRVA-2 must be completed for each cost component being claimed. Costs reported on this form must be supported as follows:

#### (1) Salaries and Benefits

Identify the employee and/or show the classification of each employee involved. Describe the mandated functions performed by each employee and specify the actual time spent, the productive hourly rate, and related fringe benefits.

Reimbursement of personnel services includes compensation paid for salaries, wages, and employee fringe benefits. Employee fringe benefits include regular compensation paid to an employee during periods of authorized absences (e.g., annual leave, sick leave) and the employer's contribution to social security, pension plans, insurance, and workers' compensation insurance. Fringe benefits are eligible for reimbursement when distributed equitably to all job activities that the employee performs.

Source documents required to be maintained by the claimant may include, but are not limited to, employee time records that show the employee's actual time spent on this mandate.

#### (2) Materials and Supplies

Only expenditures that can be identified as a direct result of this mandate may be claimed. List the cost of materials consumed or expended specifically for the purpose of this mandate. The cost of materials and supplies that are not used exclusively for the mandate is limited to the pro rata portion used to comply with this mandate. Purchases shall be claimed at the actual price after deducting cash discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on a recognized method of costing, consistently applied.

Source documents required to be maintained by the claimant may include, but are not limited to, invoices, receipts, purchase orders, and other documents evidencing the validity of the expenditures.

#### (3) Contract Services

Contract services approved by the school district's governing body are reimbursable. Give the name of the contractor who performed the services. Describe the activities performed by each named contractor, actual time spent on this mandate, inclusive dates when services were performed, and itemize all costs for services performed. Attach consultant invoices with the claim.

Source documents required to be maintained by the claimant may include, but are not limited to, contracts, invoices, and other documents evidencing the validity of the expenditures.

#### (4) Fixed Assets

List the purchase price of equipment and other capital assets acquired specifically for the purpose of this mandate. Purchase price includes taxes, delivery, and installation costs. Explain the use of each asset. If the asset is acquired for the subject mandate, but is utilized

in some way not directly related to the program, only the prorated portion of the asset that is used for purposes of this program is reimbursable.

Source documents required to be maintained by the claimant may include, but are not limited to, invoices, receipts, purchase orders, and other documents evidencing the validity of the purchases.

(5) Travel

Travel expenses for mileage, per diem, lodging, and other employee entitlements are reimbursable in accordance with the rules of the local jurisdiction. Give the name of the traveler, purpose of travel, inclusive dates, destination points, and costs.

Source documents required to be maintained by the claimant may include, but are not limited to, receipts, employee travel expense claims, and other documents evidencing the validity of the expenditures.

(6) Training

The cost of training for activities specified in 5A, B, and C may be claimed. Give the name of the training session, dates, location, and name of the employee attending training associated with this mandate. Reimbursable costs include salaries and benefits for time spent, the registration fee, transportation, lodging, and per diem.

Source documents may include, but are not limited to, employee travel expense claims, receipts, training agendas, and other documents evidencing the training expenses.

For audit purposes, all supporting documents must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. Such documents shall be made available to the State Controller's Office on request.

**B. Form PRVA-1, Claim Summary**

This form is used to summarize direct costs by cost component and compute allowable indirect costs for the mandate. Claim statistics shall identify the work performed for costs claimed. The claimant must give (1) the number of pupil residency verifications that occurred at a time other than the annual verification of residency required by Title 5, California Code of Regulations, Section 432, and (2) the number of appeals requested by parents who received a determination of non-residency in the fiscal year of costs.

School districts and local boards of education may compute the amount of indirect costs utilizing the State Department of Education's Annual Program Cost Data Report J-380 or J-580 rate, as applicable. The cost data on this form is carried forward to form FAM-27.

**C. 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 PRVA-1 must be carried forward to this form for the State Controller's Office to process the claim for payment.

Illustration of Forms

