

CLAIMABLE COST ELEMENTS

THOSE COSTS WILL BE REIMBURSED BY THE STATE

I. DIRECT COST

LABOR COSTS

Compensation paid for salaries, wages, and fringe benefits. Labor costs are calculated based on a “*productive-hourly-rate*” multiplied by the staff time spent on the mandated activity.

MATERIALS AND SUPPLIES

Purchased (or internally-charged) goods used directly for the mandated activity. Costs are claimed based on the number of units and the cost per unit consumed, so long as the usage is *reasonable in quantity, quality, and cost*.

CONTRACTED SERVICES

Compensation paid for consultants working on the mandate. To claim costs you must provide the number of hours worked, period of the contract, activities performed, *hourly rate of compensation (subject to caps)*, and invoices/contractor billings.

TRAVEL

Pursuant to the regular travel *rules and regulations of the local jurisdiction*, except that **some programs are limited to State Board of Control standards**. To claim this expense, you must provide the purpose of the trip, name and address of person incurring the expense, date and time of departure and return, description of each expense item claimed, cost of commercial transportation or number of private auto miles traveled, and any parking or tolls in excess of \$6.00.

EQUIPMENT AND CAPITAL OUTLAY

CLAIMABLE COST ELEMENTS-continued

Equipment and fixed assets *are not reimbursed unless specifically allowed* by the claiming instructions for the particular mandate. When allowed, rental expense cannot exceed the retail purchase price of the equipment plus a finance charge. To claim, you must provide a description of the equipment, its use, its acquisition cost or lease cost, and the time period of the lease.

II. INDIRECT COST

Accounting standard: Indirect costs are incurred for a common agency purpose benefiting more than one cost center and are not readily assignable to the cost centers specifically benefited without accounting effort disproportionate to the results achieved.

School Districts: Use the J-380 or its equivalent successor method.

County Offices: Use the J-580 or its equivalent successor method.

Community Colleges *have a choice*:

1. A federally approved *rate* on OMB Circular A-21.
2. State Controller's FAM 29C which uses the CCFS-311.
3. 7%

III. COST "SAVINGS" AND REVENUE OFFSETS

Government grants or categorical funding for implementing mandated activities.

Government reimbursements for implementing mandated activities.

Do not offset general state school fund apportionments, basic aid, or general federal aid for education.