



California Department of
Resources Recycling and Recovery

February 2010

2009 Guide to Net Cost Reporting

Instructions for completing the:

- Annual CEW Net Cost Report (Form 200)
- Collector Net Cost Worksheet (Form 200A)
- Recycler Net Cost Worksheet (Form 200B)

STATE OF CALIFORNIA

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This Guide is intended to assist Collectors and Recyclers of Covered Electronic Waste (CEW) in the preparation of required Net Cost Reports. It is not a substitute for statutes or regulations. It is the responsibility of reporting Collectors and Recyclers to ensure that their Net Cost Reports are accurate and complete.

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- ✓ Form 220: Annual CEW Net Cost Report
- ✓ Form 220A: Collector Net Cost Worksheet
- ✓ Form 220B: Recycler Net Cost Worksheet

Overview

Regulations for the California Electronic Waste Recycling Act of 2003 (Act) allow the Department of Resources Recycling and Recovery (CalRecycle) to periodically require approved Collectors and Recyclers to submit to CalRecycle a report on the net costs of recovering and/or recycling covered electronic waste (CEW). Participants in the program are required to maintain records supporting the reported costs.

To simplify reporting, CalRecycle developed the Annual CEW Net Cost Report (Form 220) and Net Cost Worksheets (Form 220A and Form 220B). Form 220A, the Collector Net Cost Worksheet, is to be used by approved Collectors to calculate their revenues and costs for their CEW recovery (collection, consolidation, and transportation) activities. Form 220B, the Recycler Net Cost Worksheet, is to be used by approved Recyclers to calculate their revenues and costs for their CEW recycling activities. This guide describes reporting and documentation requirements and provides instructions for completing these three forms.

CalRecycle will consider information from the Net Cost Reports as part of its periodic review and adjustment of the Standard Statewide Recovery Payment Rate, the Standard Statewide Combined Recovery and Recycling Payment Rate, and the retail fee collected by retailers pursuant to the Act.

Who is Required to Submit a Net Cost Report?

All Collectors, Recyclers and Dual Entities who held approved status any time during 2009 must submit an annual Net Cost Report for calendar year 2009.

You must submit a separate Net Cost Report for each facility or operation that has its own unique Covered Electronic Waste Identification number.

If, as an Approved Collector (Collector) or Approved Recycler (Recycler) of covered electronic waste (CEW) in 2009, you ***did not*** manage any CEW through the Covered Electronic Waste Payment System, a summary report (Form 220) is still required. Simply note on Line 12 that no CEW was managed in the reporting year and therefore no cost or revenue information is being reported. In this instance, no worksheets are required.

When is the Report Due?

The report is due by March 1, 2010. It covers the calendar year ending Dec. 31, 2009.

What Information Must be Provided?

This “Guide to Net Cost Reporting” and the associated reporting forms are available on CalRecycle’s website at: <http://www.calrecycle.ca.gov/Electronics/Act2003/Recovery/NetCost/>

Your submittal must include a CEW Net Cost Report (Form 220) (completed and signed) **and** associated Net Cost Worksheets, Form 220A for Collectors and Form 220B for Recyclers. Dual entities must submit both forms, and are required to report costs for recovery and recycling separately.

The worksheets are designed to help you compile the revenue and cost data needed to calculate your actual net cost per pound to recover or recycle CEW.

The worksheets specify subcategories of revenues and costs, and ask that you justify your cost allocation among cost subcategories.

They also require that you identify and describe how you collect CEW and from whom.

What Documentation Must You Maintain on File?

You must maintain records at your place of business to substantiate revenue and actual costs. These records might include invoices, payment books, and bills of lading. The regulations for this program specify that you maintain copies of these records for three years (14 CCR 18660.8).

You are expected to use Generally Accepted Accounting Principles and Cost Accounting Methods. Additionally, CalRecycle recommends keeping detailed notes on file that fully and clearly document assumptions and methods used to calculate revenue and allocate costs.

During its review and analysis of program costs, CalRecycle may contact a sample of Collectors and Recyclers to clarify and/or verify certain costs. CalRecycle is authorized to conduct audits of approved Collectors and Recyclers (14 CCR 18660.9).

Where Must the Reports be Submitted?

An original, signed hard copy of Form 220 must be sent with the associated worksheets to CalRecycle. This form must be signed by a person designated in your application as being authorized to sign Net Cost Reports. A return receipt is suggested to verify deliveries.

The forms should be mailed to:

Department of Resources Recycling and Recovery
Attention: Electronic Waste Recycling Program, MS 9
1001 I Street, P.O. Box 4025
Sacramento, CA 95812-4025

How Can You Get More Information and Help?

General information on the California Electronics Recycling Act of 2003 is available on CalRecycle's website at www.calrecycle.ca.gov/Electronics/Act2003/.

The regulations covering Net Cost Reporting requirements (Title 14, Chapter 8.2, California Code of Regulations (CCR), section 18660.10) and CalRecycle's authority to conduct audits (14 CCR, section 18660.9) are available online.

Links to original statutes:

- www.calrecycle.ca.gov/Electronics/RegIssues/

Links to implementing regulations:

- www.calrecycle.ca.gov/Laws/Regulations/Title14/Chap08pt2/

Important Reminders

Reporting Period: Jan. 1, 2009-Dec. 31, 2009

If you were an approved Collector or Recycler at anytime during the year, you must submit a Net Cost Report and it should only cover the period for which you were an approved Collector or Recycler.

Covered Electronic Waste (CEW) ONLY

Report **ONLY** revenue earned and costs incurred in the recovery and recycling of Covered Electronic Waste (CEW). CEW is defined as discarded “covered electronic devices” (CEDs). CEDs are video display devices containing a screen greater than four inches, measured diagonally, that are identified in regulations adopted by the Department of Toxic Substances Control.

During 2009, covered electronic devices included:

1. Cathode ray tubes containing devices (CRT devices)
2. Cathode ray tubes (CRTs)
3. Computer monitors containing cathode ray tubes
4. Laptop computers with liquid crystal display (LCD)
5. LCD containing desktop monitors
6. Televisions containing cathode ray tubes
7. Televisions containing liquid crystal display screens
8. Plasma televisions
9. Portable DVD players with LCD screens

Revenue and costs associated with the recovery or recycling of **other** types of electronic waste (e.g., CPUs and fax machines), as with all other business activities unrelated to CEW, should **NOT** be included in the Net Cost Report.

Do NOT Include Receipt of Recovery or Recycling Payments!

The purpose of the report is to calculate **YOUR ACTUAL** net cost to conduct recovery or recycling of CEW.

Collectors should **NOT** include as revenue the standard statewide recovery payment rate (\$0.16 per pound) received from a recycler.

Recyclers should NOT include as revenue the recycling portion (\$0.23 per pound) of the combined payments received from CalRecycle.

Report Actual Costs

You must provide the information needed to determine **YOUR ACTUAL** net cost to operate a CEW recovery or recycling operation.

You are required by law to maintain records suitable for examination and may be audited.

You must employ Generally Accepted Accounting Principles and Cost Accounting Methods.

CalRecycle will allow reasonable approaches to cost allocation between business or operational units within your organization, provided the method used is clearly identified, explained and based on actual records.

Report Recovery and Recycling Costs Separately

Dual entities (those that recover [collect] AND recycle [cancel and claim] CEW) must maintain records and should submit a single Net Cost Report (Form 220) that lists recovery and recycling costs separately, supported by two separate Net Cost Worksheets (Form 220A for recovery activities and Form 220B for recycling activities).

Completing the CEW Net Cost Forms

Instructions for Completing the Collector Net Cost Worksheet for Recovery Activities (Form 220A)

The Form 220 is a summary report and must be accompanied by completed copies of the appropriate Net Cost Worksheets (Form 220A/Form 220B). Form 220A is to be completed by Collectors and Recyclers for their CEW recovery activities. Form 220B is for use by Recyclers only, so a dual entity will complete both worksheets. The summary information calculated on these forms will be transferred to the Annual CEW Net Cost Report, Form 220.

The worksheet is provided in Microsoft Excel format and the formulas imbedded in the worksheet should automatically calculate your revenues and costs. The formula subtracts cost from revenue. For most reports, total cost will exceed total revenue, resulting in a negative number or net cost.

The following are line-by-line instructions for completing the Collector Net Cost Worksheet. These instructions pertain to all Collectors and Recyclers for their recovery activities. In column A, you will enter the actual (when known) revenue or cost. A calculated allocation can be made to report costs if CEW recovery is a portion of your operations and your accounting practices do not allow you to report CEW recovery activities directly. A description of the methodology used to determine the allocation of costs should be entered into column B, on line 25, or attached as an additional document.

Participant Information: Input the name of your organization and your Covered Electronic Waste Identification number. The reporting period is already input on the form. You should enter the date the worksheet was prepared.

Line 1: In column A, enter all revenue received from recyclers *in excess* of the Standard Statewide Recovery Rate of \$0.16 per pound. Exclude payments of the required \$0.16 per pound.

Line 2: Regulations allow Collectors to charge a fee for CEW recovery, “If the recovery payment from a recycler does not fully cover the net cost of CEW recovery, and the collector establishes a cost-free opportunity for a California source to transfer CEWS to the collector....” 14 CCR 18660.6(d)(1). If you charged a fee to generators for your CEW recovery services, enter that revenue here.

Line 3: Enter any other revenues you received related to your recovery of CEW. In column B, please indicate why you consider these to be allowable revenues.

Line 4: If you are using the electronic version of the form, it will automatically total your revenues on this line. Otherwise, add the amounts on lines 1, 2, and 3 and enter that value here. This is the number that will be input into line 13, Column 220A on Form 220.

Line 5: This line should include only direct labor expenses related to the receiving, handling, processing, storing, transferring, and shipping of CEW. Indirect labor such as

administration, facility permitting, accounting, and other activities not directly involved in recovering CEW should be entered on line 21.

Line 6: Use this line to report the transportation costs paid by you related to recovering CEW from the generator or consolidator of the material. Collectors should enter the costs to take CEW from collection points to the Collector's facility.

Line 7: On this line, enter the transportation costs you incurred to move materials from your facility to the recycler or directly from the generator or consolidator to the recycler.

Typical costs to consider include fuel costs, vehicle depreciation, vehicle lease costs, vehicle maintenance and repair costs, vehicle registration costs, vehicle insurance, and vehicle tax payments. Include under transportation both payments to freight companies (and all associated costs) and internal transportation costs such as vehicle lease, rental or depreciation, vehicle insurance, fuel, and maintenance. **Remember, only report costs you incurred to collect CEW. Recyclers should be careful not to double-count any costs that will be reported in the Form 220B: Recycler Net Cost Worksheet.**

Lines 8-23: These lines should include all other costs related to CEW recovery or recycling that are not included under labor and transportation. Use the cost categories on the worksheet that are appropriate for your operations. You may include additional categories on a separate document and enter the total of those categories into line 23.

Line 8: Include your costs associated with marketing your operations. You may also include costs for any public education or outreach components of your marketing efforts.

Line 9: Supplies used in recovery activities may include, but are not limited to, pallets, boxes, stretch film, and other packaging. Please indicate on the form what materials you consider supplies and be prepared to substantiate these categories in an audit.

Line 10: Please report any payments made to entities from which you received CEW. This would include payments made to sources, handlers, auctions, etc.

Line 11: The regulations state that "if the recycling payment from CalRecycle does not fully cover the net cost of recycling, an approved recycler may charge a fee for CEW recycling." 14 CCR 18660.6(d)(3). If you were required to make any payments to Recyclers for processing CEWs, include that amount here. Do not include any charges for ineligible CEWs.

Lines 12-22: These costs may not directly relate to the recovery of CEW if your organization is engaged in other business activities. Therefore, reported costs must be appropriately and accurately allocated to only CEW recovery activities. Any allocation must be based upon factual records that are maintained on file at your business. Please note in column B, or on line 25, any calculations used to allocate your costs.

Line 22: The category of Other Overhead can be used to capture other indirect costs not related to the categories in lines 12-21. Be sure to identify the basis for your allocations in Line 25 or in a separate document.

Line 23: This line should be used to report any additional operational costs directly related to the recovery of CEW but not captured elsewhere in the form.

Line 24: If you are using the electronic version of the form, it will automatically total your costs on this line. Otherwise, add the amounts on lines 5-23 and enter it here. This is the number that will be input into line 14, Column 220A on Form 220.

Line 25: Explain any calculations used to allocate costs to CEW recovery activities when necessary.

Line 26: Capital expenditures (e.g., for property, buildings, improvements, or equipment) should not be listed as expenses. Instead, list capital expenditures here. Report depreciation on line 12 and any associated principal and interest payments on line 14.

Line 27: Enter what you consider to be a reasonable rate of profit in cents per pound of CEW recovered. Provide your rationale for the reported amount. **The rate you enter will not affect your reported net cost.**

Line 28: Report here any unique revenues or costs that occurred in the reporting year that are likely to change in future years. For example: unique start-up costs or services received free of charge (such as volunteer labor or costs that are bundled in transactions but not monetized, such as transportation services).

Line 29: Provide here any additional information or studies needed to explain your revenues, costs, or operational matters that CalRecycle may consider when setting the Recovery Payment Rate.

Line 30: Enter the percentage of total weight (as reported on Form 220, Line 16) of CEW you collected from each type of source. The percentages should total to 100 percent.

Line 31: Enter the percentage of total weight (as reported on Form 220, Line 16) of CEW you collected through each type of recovery method. The percentages should total to 100 percent .

Line 32: Identify with an “X” the types of business activities your firm conducted in addition to CEW recovery. If you only handle CEW, you will only mark the last box. Otherwise, mark all of the boxes that apply.

Instructions for Completing the Recycler Net Cost Worksheet for Recycling Activities (Form 220B)

The Form 220 is a summary report and must be accompanied by completed copies of the appropriate Net Cost Worksheets (Form 220A/Form 220B). Instructions for the use of the worksheets are provided first. Form 220A is to be completed by Collectors and Recyclers for their CEW recovery activities, and those instructions were covered previously in this document. Form 220B is for use by Recyclers only, so a dual entity will complete both worksheets. The summary information calculated on these forms must be entered on the Net Cost Report Form 220.

The worksheet is provided in Microsoft Excel format and the formulas imbedded in the worksheet should automatically calculate your revenues and costs. For most reports, total cost will exceed total revenue, resulting in a negative number or net cost.

The following are line-by-line instructions for completing the Recycler Net Cost Worksheet (220B). These instructions pertain to Recyclers for their recycling activities and special care should be exercised to clearly delineate recovery and recycling revenues and costs. In column A, you will enter the actual (when known) revenue or cost. A calculated allocation can be made to report costs if CEW recycling is a portion of your operations and your accounting practices do not allow you to report CEW recycling activities directly. A description of the methodology used to determine the allocation of costs should be entered into column B, on line 27, or attached as an additional document.

Participant Information: Input the name of your organization and your Covered Electronic Waste Identification number. The reporting period is already input on the form. You should enter the date the worksheet was prepared.

Line 1: In column A, enter all revenue received from sale of CEW residual commodities that will be used as feedstock in a recycling process.

Line 2: In column A, enter all revenue received from sale of CEW components that are marketed for reuse as parts.

Line 3: Regulations allow Recyclers to charge a fee for CEW recycling, “If the recycling payment from CalRecycle does not fully cover the net cost of CEW recycling, an approved recycler may charge a fee for CEW recycling.” 14 CCR 18660.6(d)(3). If you charged a fee to Collectors for your CEW recycling services, enter that revenue here.

Line 4: Enter any other revenues you receive related to your recycling of CEW. In column B, please indicate why you considered these to be allowable revenues.

Line 5: If you are using the electronic version of the form, it will automatically total your revenues on this line. Otherwise, add the amounts on lines 1, 2, 3, and 4 and enter that value here. This is the number that will be input into line 13, Column 220B on Form 220.

Line 6: This line should include only direct labor expenses related to the receiving, storing, processing/cancelling, and residual shipping of CEW. Indirect labor such as

administration, facility permitting, accounting, and other activities not directly involved in recovering CEW should be entered on line 22.

Line 7: If your organization covered the costs of transporting CEW from the Collector (or generator/consolidator) to your facility, use this line to report those transportation costs.

Line 8: On this line, enter the transportation costs you incurred to transport residuals from your facility to their destination.

Typical costs to consider include fuel costs, vehicle depreciation, vehicle lease costs, vehicle maintenance and repair costs, vehicle registration costs, vehicle insurance, and vehicle tax payments. Include under transportation both payments to freight companies (and all associated costs) and internal transportation costs such as vehicle lease, rental or depreciation, vehicle insurance, fuel, and maintenance. **Remember, only report costs you incurred as part of CEW recycling activities. Be careful not to double-count any costs that were reported in the Form 220A: Collector Net Cost Worksheet.**

Line 9: This line can be used to enter other transportation costs you incurred that are not related to the movement of CEW from Collectors or residuals from your facility. In column B, please indicate why you considered these to be allowable expenses.

Lines 10-23: These lines should include all other costs related to CEW recycling that are not included under labor and transportation. Use the cost categories on the worksheet that are appropriate for your operations. You may include additional categories on a separate document and enter the total of those categories into line 24.

Line 10: Include your costs associated with marketing your operations. You may also include costs for any public education or outreach components of your marketing efforts.

Line 11: Supplies used in recovery activities may include, but are not limited to, pallets, boxes, stretch film, and other packaging. Please indicate on the form what materials you consider supplies and be prepared to substantiate these categories in an audit.

Line 12: Please report payments made for the disposition of CRT glass residuals.

Lines 13-23: These costs may not directly relate to the recycling of CEW if your organization is engaged in other business activities. Therefore, reported costs must be appropriately and accurately allocated to only CEW recycling activities. Any allocation must be based upon factual records that are maintained on file at your business. Please note in column B, or on line 27, any calculations used to allocate your costs.

Line 23: The category of Other Overhead can be used to capture other indirect costs not related to the categories in lines 13-22. Be sure to identify the basis for your allocations in Line 27 or in a separate document.

Line 24: This line should be used to report any additional operational costs directly related to the recycling of CEW but not captured elsewhere in the form.

Line 25: Please report any payments made to Collectors that were in excess of the Standard Statewide Recovery Payment Rate (\$0.16 per-pound) for CEW.

Line 26: If you are using the electronic version of the form, it will automatically total your costs on this line. Otherwise, add the amounts on lines 6-25 and enter that value here. This is the number that will be input into line 14, Column B on Form 220.

Line 27: Explain any calculations used to allocate costs to CEW recycling activities when necessary.

Line 28: Capital expenditures (e.g., for property, buildings, improvements, or equipment) should not be listed as expenses. Instead, list capital expenditures here. Report depreciation on line 13 and any associated principal and interest payments on line 15.

Line 29: Enter what you consider to be a reasonable rate of profit in cents per pound of CEW recycled. Provide your rationale for that the reported amount. **The rate you enter will not affect your reported net cost.**

Line 30: Report here any unique revenues or costs that occurred in the reporting year that are likely to change in future years. For example: unique start-up costs or services received free of charge (such as volunteer labor or costs that are bundled in transactions but not monetized, such as transportation services).

Line 31: Provide here any additional information or studies needed to explain your revenues, costs, or operational matters that CalRecycle may consider when setting the Recycling Payment Rate.

Instructions for Completing the CEW Net Cost Report (Form 220)

Much of the detailed information needed to complete Form 220, the Annual CEW Net Cost Report, is captured and calculated in the 220A and 220B Worksheets as described above. The following are line by line instructions for completing the form.

Lines 1-9: This section is where you will identify your organization, the appropriate contact person for the report, and their contact information.

Line 10: Enter the date that the report was prepared for submission.

Line 11: This reporting period is Jan. 1, 2009, to Dec. 31, 2009. For clarity, 2009 has been entered into the field.

Line 12: If you did not handle Covered Electronic Waste (CEW) through the California Electronic Waste Payment System in 2009, then place an "X" in the appropriate column (Column 220A for recovery or Column 220B for recycling). Skip to Line 18 and fill out lines 18-22. You do not need to report cost or revenue information or submit a 220A or 220B.

Line 13:

Recovery Activity (Collector role): Enter the total revenue received for CEW recovery (from line 4 on Form 220A). ***Do not include any revenue from the Standard Statewide Recovery Payment Rate paid to you by a Recycler.***

Recycling Activity (Recycler role): Enter the total revenue received from CEW recycling (from Line 5 on Form 220B). ***Do not include any revenue from the Combined Standard Statewide Recovery and Recycling Payment Rate paid to you by the State.***

Line 14:

Recovery Activity (Collector role): Enter your total cost of CEW recovery (from line 24 on Form 220A).

Recycling Activity (Recycler role): Enter your total costs for CEW recycling (from line 26 on Form 220B). ***Do not include as costs, payments of the Standard Statewide Recovery Payment Rate paid to Collectors.***

Line 15: Subtract line 14 (Total Costs) from line 13 (Total Revenues). In most cases, cost will be more than revenues, resulting in a negative number or net cost. If you are using the electronic version of the form, it will automatically calculate your net cost on this line. Otherwise, perform the calculation and enter that value here.

Line 16:

Recovery Activity (Collector role): Enter the total number of pounds of CEW you recovered during the reporting period in Column 220A. ***Do not include any pounds of CEW transferred to you by other approved Collectors.***

Recycling Activity (Recycler role): Enter the total number of pounds of CEW recycled during the reporting period in Column 220B.

Line 17: Divide line 15 (Net Cost) by line 16 (Total Pounds). If you are using the electronic version of the form, it will automatically calculate your net cost per pound on this line. Otherwise, perform the calculation and enter that value here.

Lines 18-22: This form must be signed by a person designated in your application as being authorized to sign Net Cost Reports.

Additional Questions and Answers

1. Is it OK to use my firm’s profit and loss statement instead of the Net Cost Worksheets (Forms 220A and 220B)?

No.

Collectors must fill out Form 220A, a “Collector Net Cost Worksheet,” and then transfer the results to Form 220, the “Annual CEW Net Cost Report.”

Recyclers must fill out Form 220B, a “Recycler Net Cost Worksheet,” and then transfer the results to Form 220, the “Annual CEW Net Cost Report.”

Dual entities must fill out Form 220A, a “Collector Net Cost Worksheet,” and Form 220B, a “Recycler Net Cost Worksheet.” Do not double-count costs.

All: you may provide financial statements or other information that will help our staff to better understand your net cost(s).

2. Must I adhere to the cost categories listed on the Net Cost Worksheets (Forms 220A and 220B)?

Yes. However, you may add other categories if your company’s expenses do not match categories on the worksheets.

Collectors: Report these costs on line 23 of the “Collector Net Cost Worksheet,” Form 220A and provide descriptions of these costs.

Recyclers: Report these costs on line 24 of the “Recycler Net Cost Worksheet,” Form 220B and provide descriptions of these costs.

Dual entities: Report these costs on both forms, but **do not double-count costs**.

3. How should I treat costs that are internal to our company (e.g., disposal costs at a company subsidiary)?

All: You should treat internal costs the same as external costs. They should be recorded and accounted for in accordance with Generally Accepted Accounting Principles and Cost Accounting Methods. Supporting documentation must be accurate and complete.

4. Why aren’t important external costs—such as the cost of satisfying facility permitting and other regulations, or the cost of preparing payment requests—included under the Act?

All: All of these “indirect” costs are included, as are other “direct” costs related to CEW recovery or recycling.

Collector: These costs should be reported on line 21 on Form 220A, “Indirect Labor.”

Recycler: These costs should be reported on line 22 on Form 220B, “Indirect Labor.”

Dual entities: Report these costs on both forms, but do not double-count costs.

5. We have employees who are involved in recovering and/or recycling CEW AND other types of e-waste. How should we separate out the labor costs for CEW?

All: You may allocate labor costs using whatever method you determine is most accurate, as long as the method is based on factual records, such as bills, receipts, time sheets, invoices, manifests, weigh tickets, or other documents. For example, you may allocate costs based on a percentage of the total weight handled that is CEW. In this case, you may determine this percentage by dividing the pounds of CEW by the total number of pounds of all materials/product handled during the reporting period. Multiply your total direct labor cost by this percentage to estimate the labor cost associated with CEW.

6. Why doesn't CalRecycle provide a standard, average overhead rate for all respondents to use? That would be more consistent.

All: According to regulations, the purpose of the Net Cost Report is to determine company-by-company “actual net costs to operate.” Your cost of operation includes overhead (e.g., advertising, accounting, and permitting). If you follow Generally Accepted Accounting Principles, you should be maintaining the records necessary to determine overhead costs.

7. Why doesn't CalRecycle allow online reporting?

All: Due to the signature requirements for these forms, electronic submission is not currently available. CalRecycle is working to provide an online system of reporting, which is expected to be available in the future.

8. Costs for recycling liquid crystal displays (LCDs) are completely different than for cathode ray tubes (CRT). Why doesn't the Department ask for cost information on these two streams separately?

The law requires that we calculate an average net cost for all CEW, including LCDs, even though they present different challenges than CRTs.

9. How many numerals after the decimal point should I include when entering figures on the forms?

Please report all per pound revenue and costs to three decimal places; for example, \$0.345. Other figures (such as total costs) should be reported to the nearest dollar; for example, \$45.

10. Although I am an approved Collector (or Recycler), none of the materials I handled during the reporting year were subject to reimbursement through the California Covered Electronic Waste Payment System, and I did not seek any reimbursement through this system. Do I still have to submit a report?

Yes. However, you may place a checkmark on Line 12 of Form 220 and skip to the signed declaration section on line 18. There will be no need to submit a Form 220A or Form 220B. You do not need to report revenue or costs for any e-waste that is not subject to reimbursement through the California Electronic Waste Payment System.

Appendix

A. Form 220: Annual CEW Net Cost Report

B. Form 220A: Collector Net Cost Worksheet

C. Form 220B: Recycler Net Cost Worksheet

Form 220: Annual CEW Net Cost Report

Important: Review the Guide to Net Cost Reporting prior to completing and attach Net Cost Worksheets (Forms 220A and 220B).

Participant Information

1	Organization Name	
2	CEW ID Number	
3	Type of Entity (Collector or Collector/Recycler)	
4	Mailing Address (Street, City, State, Zip)	
5	Physical Address (Street, City, State, Zip)	
6	Contact Person for Net Cost Report	
7	Title	
8	Phone Number for Contact Person	
9	Email Address for Contact Person	
10	Date of Report Preparation	
11	Reporting Period	2009

Net Cost Summary

Use the information from the Net Cost Worksheets (Forms 220A and 220B) to complete this Summary Information

		From 220A: Recovery of CEW	From 220B: Recycling of CEW
12	Enter an 'X' if you did not handle CEW in the reporting year that was subject to the CEW Payment System. Skip to line 18. You will not need to submit a 220A or 220B.		
<i>On Line 13, exclude Standard Statewide CEW Recovery and CEW Recycling payments.</i>			
13	Total Revenues for CEW Recovery and/or Recycling From Line 4 on Form 220A (recovery) and Line 5 on Form 220B (recycling).		
<i>On Line 14, Recyclers must exclude Standard Statewide CEW Recovery payments made to Approved Collectors.</i>			
14	Total Costs for CEW Recovery or Recycling From Line 24 on Form 220A (recovery) and Line 26 on Form 220B (recycling).		
15	Net Costs: Subtract Line 14 (Total Costs) from Line 13 (Total Revenues). <i>If total costs exceed total revenues, this will be a negative number.</i>		
16	Total Pounds of CEW Recovered (Column A) and Recycled (Column B- <u>Recyclers Only</u>) Include only Covered Electronic Waste		
17	Net Cost per Pound: Divide Line 15 (Net Cost) by Line 16 (Total Pounds). <i>If total costs exceed total revenues, this will be a negative number.</i>		

Signed Declaration

Must be signed by a person with Signature Authority for Net Cost Reports as Designated Pursuant to Section 18660.11.

I hereby declare under penalty of perjury that this net cost report, including any and all figures, calculations and accompanying documents has been examined by me and is true, correct and complete.

18	Printed Name	
19	Title	
20	Signature	
21	Date Signed	
22	City and State Signed	

Form 220A: Collector Net Cost Worksheet

(To be completed by all Collectors and Recyclers for CEW recovery activities)

Organization Name	
CEW ID Number	
Reporting Period	2009
Date Prepared	

Important: Review the Guide to Net Cost Reporting prior to completing and attach this Net Cost Worksheet to the Form 220.

REVENUE FROM CEW RECOVERY ACTIVITIES

		A. Revenue	B. Identify Records and Methods Used*
1	Revenue from Recyclers (in excess of Payment Rate: \$0.16)		
2	Revenue from Recovery Services (e.g., fees charged)		
3	Other Allowable Revenues (please specify)		
4	Total Revenue from Recovery Activities	\$0.00	(Enter on Form 220, Line 13A)

COSTS OF CEW RECOVERY ACTIVITIES

If reported costs are derived from a calculated allocation, describe method in column B. Use line 25 for additional detail if needed.

		A. Costs	B. Calculation Method*
Labor Costs			
5	Direct Labor		
Transportation Costs (e.g., fuel, registration, insurance, maintenance, & repair)			
6	Transporting CEW to Collection Facility		
7	Transporting CEW from Collection Facility to Recycler		
Other Costs (exclude any transportation costs)			
8	Advertising, Marketing, and Public Education		
9	Supplies Used in Recovery Activities		
10	Payments Made in Exchange for CEW		
11	Fees Charged by Recyclers		
Overhead			
12	Depreciation		
13	Insurance (non-transportation)		
14	Debt Service		
15	Maintenance		
16	Fuel (non-transportation)		
17	Property Taxes		
18	Utilities		
19	Facilities and Equipment Rent or Lease		
20	Security		
21	Indirect Labor		
22	Other Overhead (related to CEW recovery)		
23	Additional Costs (please specify)		
24	Total Cost of CEW Recovery Activities		(Enter on Form 220, Line 14A)
25	Use this space to provide details on cost calculation methodologies. Attach additional documentation as needed.		

Additional Questions and Notes	
26	Describe any capital expenditures for property, buildings, improvements, equipment or vehicles and indicate how those costs were characterized in the cost worksheet. Attach additional documentation as needed.
27	Indicate, on a cents-per-pound of CEW collected basis, what your organization would consider to be a reasonable profit. Please provide a justification for that amount. Attach additional documentation as needed.
28	Identify any unique costs or changes in your operation during the reporting year that affected your revenues or costs (e.g., one-time start-up costs or the value of volunteer labor.). Attach additional sheets as needed.
29	Please use this section to provide other information or studies that CalRecycle may consider when setting the Recovery Payment Rate. Attach additional documentation as needed.
30	Identify the percentage of the total weight of CEW you recovered from each type of source in the reporting year. %
	Residences, Individuals
	Commercial Businesses
	Institutional (Education/Government/etc.)
	Other (specify):
	<i>(must total to 100%)</i> Total 0%
31	Identify the percentage of the total weight of CEW you recovered through each type of recovery method. %
	Pick-up by Appointment (e.g., from businesses or other handlers)
	Regularly Scheduled Pick-Up (e.g., curbside service)
	Permanent Drop-Off Facility
	Occasional Drop-Off Service (e.g., special events)
	Landfill Load Check
	Other (Specify):
	<i>(must total to 100%)</i> Total 0%
32	Identify with an "X" the types of activities carried out at your facility in addition to CEW recovery. "X"
	Recovery of Electronic Waste other than CEW
	Municipal solid waste recycling (e.g., bottles, cans, newspapers, etc.)
	Municipal solid waste disposal
	Household Hazardous Waste collection
	Other (specify):
	Not applicable - only handle CEW.
<p>*You are required to maintain records to substantiate any reported revenues or costs. If you allocate a percentage of total costs based upon your other lines of business, the allocations must be based on facts. Generally Accepted Accounting Principles and cost accounting methods must be used and this data may be audited.</p>	

Form 220B: Recycler Net Cost Worksheet

(To be completed by Recyclers for CEW recycling activities)

Organization Name	
CEW ID Number	
Reporting Period	2009
Date Prepared	

Important: Review the Guide to Net Cost Reporting prior to completing and attach this Net Cost Worksheet to the Form 220.

REVENUE FROM CEW RECYCLING ACTIVITIES

		A. Revenue	B. Identify Records and Methods Used*
1	Revenue from the Sale of CEW Residual Commodities		
2	Revenue from the Sale of CEW Components		
3	Revenue from Fees Charged		
4	Other Allowable Revenues (please specify)		
5	Total Revenue from Recycling Activities	\$0.00	(Enter on Form 220, Line 13B)

COSTS FROM CEW RECYCLING ACTIVITIES

If reported costs are derived from a calculated allocation, describe method in column B. Use line 27 for additional detail if needed.

Labor Costs		A. Costs	B. Calculation Methods*
6	Direct Labor		
Transportation Costs (e.g., fuel, registration, insurance, maintenance, & repair)			
7	Transporting CEW from Collector to Recycler		
8	Transporting Residuals to Market/Disposal Facility		
9	Other Allowable Transportation		
Other Costs (exclude any transportation costs)			
10	Advertising, Marketing, and Public Education		
11	Supplies Used in Recycling Activities		
12	CRT Glass Management		
	Overhead		
13	Depreciation		
14	Insurance (non-transportation)		
15	Debt Service		
16	Maintenance		
17	Fuel (non-transportation)		
18	Property Taxes		
19	Utilities		
20	Facilities and Equipment Rent or Lease		
21	Security		
22	Indirect Labor		
23	Other Overhead (related to CEW Recycling)		
24	Additional Costs (please specify)		
25	Cost to Purchase CEWs in excess of Recovery Rate		
26	Total Cost of CEW Recycling Activity		(Enter on Form 220, Line 14B)
27	Use this space to provide details on cost calculation methodologies. Attach additional documentation as needed.		

Additional Questions and Notes

28 Describe any capital expenditures for property, buildings, improvements, equipment or vehicles and indicate how those costs were characterized in the cost worksheet. Attach additional documents as needed.

29 Indicate, on a cents per-pound of CEW Collected (Recycled) basis, what your organization would consider to be a reasonable profit. Please provide a justification for that amount. Attach additional documents as needed.

30 Identify any unique costs or changes in your operation during the reporting year that affected your revenues or costs (e.g., one-time start-up costs or the value of volunteer labor.). Attach additional documents as needed.

31 Please use this section to provide other information or studies that CalRecycle may consider when setting the Recycling Payment Rate. Attach additional documentation as needed.

**You are required to maintain records to substantiate any reported revenues or costs. If you allocate a percentage of total costs based upon your other lines of business, the allocations must be based on facts. Generally Accepted Accounting Principles and cost accounting methods must be used and this data may be audited.*