

# Covered Electronic Waste Recycling Program Net Cost Report Information



California Department of Resources Recycling and Recovery

**December 11, 2023**

# STATE OF CALIFORNIA

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*This information is intended to assist approved collectors and recyclers participating in the CalRecycle Covered Electronic Waste (CEW) Recycling Program to prepare their required Net Cost Reports. It is not a substitute for statutes or regulations. It is the responsibility of collectors and recyclers to ensure their Net Cost Reports are accurate and complete.*

# Overview of the Net Cost Report

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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 approved recyclers to submit a report to CalRecycle on the net cost of recovering and/or recycling covered electronic waste (CEW). Only the weight, revenues, and costs associated with CEW should be reported to CalRecycle. Management of other electronic wastes (i.e., printers, fax machines, copiers, personal computer towers, servers, or any other electronics not included in the recycling program) are not reportable, and doing so would be a violation of the rules governing the program. Participants in the program are required to maintain records supporting the reported costs and revenues.

To facilitate participants' compliance with the reporting requirements, CalRecycle developed three standardized forms:

- Annual CEW Net Cost Report (Form 220)
- Collector Net Cost Worksheet (Form 220C)
- Recycler Net Cost Worksheet (Form 220R)

Form 220C is to be used by approved collectors to calculate their revenues and costs for their CEW recovery (collection, consolidation, and transportation) activities and the weight recovered. Form 220R is to be used by approved recyclers to calculate their revenues and costs for their CEW recycling activities and the weight cancelled. This guide describes reporting and documentation requirements and provides instructions for completing these three forms. The information from the forms should then be entered on CalRecycle's secure Internet portal known as the Covered Electronic Waste Information System (CEWIS).

CalRecycle will consider information from the Net Cost Reports as part of its annual review and adjustment of the standard statewide recovery payment rate for all CEW, the standard statewide combined recovery and recycling payment rates for cathode ray tube (CRT) CEW and non-CRT CEW, and the CEW recycling 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 the reporting year must submit an annual Net Cost Report by March 1 of the following year.

You must submit a separate Net Cost Report for each facility or operation that has its own unique covered electronic waste identification (CEWID) number. If an

entity operates multiple sites under a single identification number, the revenues and costs from all activities are to be submitted in a single report.

If, as an approved collector or approved recycler of CEW in the reporting year, you did not manage any CEW through the CalRecycle CEW Recycling Program, an Annual CEW Net Cost Report (Form 220) is still required. Simply note on the appropriate space of the report that no CEW was managed in the reporting year and therefore no cost or revenue information is being reported. In this instance, no worksheets (220C or 220R) are required. If no CEW was managed, that can be easily reported via CEWIS.

### ***When Is the Report Due?***

The report is due by March 1. It covers the previous calendar year ending December 31.

### ***What Information Must Be Provided?***

Your submittal must include a completed and signed Annual CEW Net Cost Report (Form 220) and, if appropriate, associated Net Cost Worksheets (Form 220C for collectors and Form 220R for recyclers). Dual entities must submit both forms and are required to report revenues and 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 and/or recycle CEW.

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

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

All of this information may be submitted via CEWIS, including the upload of the signed certification page. This will eliminate the need to mail the report and provide immediate confirmation of the submission.

### ***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 (Title 14, California Code of Regulations (CCR), Section 18660.8).

You are expected to use generally accepted accounting principles and cost accounting methods. Additionally, CalRecycle recommends keeping detailed notes on file to fully and clearly document any 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 or verify certain costs. CalRecycle is authorized to conduct audits of collectors and recyclers (14 CCR Section 18660.9).

### ***Where Must the Reports Be Submitted?***

You are encouraged to submit your report via CEWIS, our secure Internet portal found here: <https://secure.calrecycle.ca.gov/CEWIS/SignIn.aspx>. By entering the required information online and uploading a signed copy of the certification page, you will avoid mailing costs, help prevent the submission of an incomplete report, and receive a confirmation email receipt generated by CEWIS immediately upon submission. You can email a request to access the system to [CEWIS@CalRecycle.ca.gov](mailto:CEWIS@CalRecycle.ca.gov).

Alternatively, participants must mail an original, signed hard copy of Form 220 with the associated worksheets to CalRecycle. A person designated in your application as being authorized to sign Net Cost Reports must sign the certification page or Form 220. For hard copy submissions, CalRecycle recommends a return receipt to verify deliveries. Reports **will not** be accepted via fax or email.

If submitting a hard copy, mail the forms to:

Department of Resources Recycling and Recovery  
Attention: Electronic Waste Recycling Program, MS 10B  
1001 I Street  
Sacramento, CA 95814

### ***How Can You Get More Information and Help?***

General information on the Act is available on our website:

<https://www.calrecycle.ca.gov/Electronics/CEW/>.

The regulations covering net cost reporting requirements (14 CCR Section 18660.10) and CalRecycle's authority to conduct audits (14 CCR Section 18660.9) are available online.

Links to original statutes and implementing regulations can be found on our website: <https://www.calrecycle.ca.gov/Electronics/RegInfo/>.

## **Important Reminders**

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### ***Reporting Period: January 1-December 31***

If you were an approved collector or recycler at any time during the year, you must submit a Net Cost Report. 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 CEW, which can only be derived from discarded covered electronic devices (CEDs). These are video display devices with a screen greater than 4 inches measured diagonally and are identified in regulations (22 CCR, Division 4.5, Chapter 11, Appendix X) adopted by the Department of Toxic Substances Control (DTSC).

Currently, CEDs include:

1. CRT-containing devices (CRT devices);
2. CRTs;
3. CRT-containing computer monitors;
4. Liquid crystal display (LCD)-containing laptop computers;
5. LCD-containing desktop monitors;
6. CRT-containing televisions;
7. LCD-containing televisions (excluding LCD projection televisions);
8. Plasma televisions (excluding plasma projection televisions);
9. Portable DVD players with LCDs.
10. Organic light-emitting diode (OLED)-containing televisions;
11. OLED-containing laptop computers;
12. OLED-containing tablets;
13. OLED-containing desktop monitors;
14. LCD-containing tablets; and
15. LCD-containing smart displays.

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. Inclusion of information unrelated to the recycling program may be deemed a submission of a fraudulent Net Cost Report and result in an adverse administrative action.

### ***Do Not Include Receipt of Recovery or Recycling Payments***

The purpose of the report is to calculate your actual net (without the CalRecycle payment) cost to conduct recovery or recycling of CEW.

Collectors should not include as revenue the standard statewide recovery payment rate (January 1, 2023 to June 30, 2023 at \$0.33 per pound and July 1, 2023 to December 31, 2023 at \$0.35 per pound) received from a recycler. Only report payments received in excess of the required rate. As shown on Form 220 C: Collector Net Cost Worksheet, you should report any revenue from fees charged for providing recovery services. Revenue from the sale of intact devices should not be reported. Likewise, the weight of those devices should not be reported.

Recyclers should not include as revenue the recovery or the recycling portions of the standard statewide combined recovery and recycling payment rate received from CalRecycle. The recycler's portion of the rates January 1, 2023 to June 30, 2023 were \$0.52 per pound for CRT CEW, and the non-CRT CEW rate was \$0.70 per pound. From July 1, 2023 to December 31, 2023 the recycler's portion of the rates were \$0.63 per pound for CRT CEW, and the non-CRT CEW rate was \$0.75 per pound. As shown on Form 220R: Recycler Net Cost Worksheet, you should report revenues from the sale of residual commodities, components, or fees. Revenue from the sale of intact devices should not be reported, and likewise, the weight of those devices should not be reported.

### ***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.

### ***Separately Report Recovery and Recycling Costs***

Dual entities that both recover (collect) and recycle (cancel and claim) CEW must maintain records for each activity and should submit a single Net Cost Report (Form 220) listing recovery and recycling costs separately, supported by two separate Net Cost Worksheets (Form 220C for recovery activities and Form 220R for recycling activities). In instances where a dual entity chooses to only act as a collector and transfers CEWs to another approved recycler for cancellation or other dispositions, they must properly allocate all pounds, costs, and revenues to their role as a collector. This will apply whether they received those CEWs from another collector, the source, or an intermediate handler. This will ensure only recycling related costs are attributed to recycler reporting.

## **Completing the CEW Net Cost Forms**

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### ***Instructions for Completing the Collector Net Cost Worksheet for Recovery Activities (Form 220C)***

If you are filing on paper, the Form 220 is a summary report and must be accompanied by completed copies of the appropriate Net Cost Worksheets (Form 220C/Form 220R). Form 220C (described in this section) is to be



completed by collectors and recyclers for their CEW recovery activities. Form 220R (described in the next section) is for use by recyclers only, so a dual entity must complete both worksheets. The summary information calculated on these forms must be transferred to the Annual CEW Net Cost Report (Form 220). The online process will automatically generate the Form 220 Certification page for your signature.

The worksheet is provided in PDF format and the embedded formulas should automatically total your revenues and costs. You must enter those values into Form 220, and a formula in that worksheet subtracts cost from revenue. For most reports, total cost will exceed total revenue, resulting in a negative number or net cost. If you show a net revenue, please check to make sure you have not reported revenues in excess of the recovery payment or revenue from the sale of other electronics. If you use the online reporting, it will alert you if your numbers appear to be incorrect.

The following are line-by-line instructions for completing the Collector Net Cost Worksheet (Form 220C). These instructions pertain to all collectors and recyclers for their recovery activities. In the Revenues column, 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 in line 26 or attached as an additional document.

Revenue from the resale of useable or repairable devices would not be reportable. If the collector engages in this type of business, care should be taken to not report any revenue or costs associated with the recovery of the resold devices. This is most easily accomplished by using a cost allocation, as the weight of resold devices also would not be reportable.

**Participant Information:** Enter the name of your organization and your CEWID number. Enter the date the worksheet was prepared. The reporting period already appears on the form.

**Line 1:** Enter the weight of CEW recovered during the reporting year. Only CEW that was recovered/collected as part of your participation in the CalRecycle CEW Recycling Program should be reported. If you were only approved to participate for a portion of the year, only report activity during the active period. The weight of electronic waste that is not CEW (such as printers, fax machines, copiers, personal computers, and other electronics) should not be entered in this report. Recyclers should report the weight of material received directly from sources/generators, handlers, transporters, auctions, etc., but not the weight received from other approved collectors, as that weight should be reported on Form 220R as recycling.

**Line 2:** In the Revenues column, enter all revenue received from recyclers in excess of the standard statewide recovery payment rate of \$0.33 per pound

for the period prior to July 1, 2023 and \$0.35 per pound after that date. Exclude from your report the payments of the required \$0.33 or \$0.35 per pound.

**Line 3:** 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,” according to 14 CCR Section 18660.6(d)(1). If you charged a fee to generators for your CEW recovery services, enter that revenue here.

**Line 4:** Enter any other revenues you received related to your recovery of CEW. In the Calculation Method column, please indicate why you consider these to be allowable revenues. For example, grants or subsidies specifically related to CEW recovery might be applicable.

**Line 5:** When entering the report online or using the PDF version of the form, your revenues will be automatically totaled on this line. Otherwise, add the amounts from lines 2, 3, and 4 and enter that value here. This will be the number reported on the Form 220 on line 11 in the column labeled “From 220 C: Collector All CEW”.

**Line 6:** 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 in line 22. If the organization is a partnership or sole proprietorship and funds are paid to the owners or withdrawn from the business, that value should be reported here.

**Line 7:** 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 your facility.

**Line 8:** 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. If the recycler provided the transportation, this value might be zero.

Typical costs to consider include fuel, vehicle depreciation, vehicle lease, vehicle maintenance and repair, vehicle registration, 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 to only report costs you incurred to collect CEW. Recyclers should be careful not to double-count any costs that will be reported on the Recycler Net Cost Worksheet (Form 220R).

**Lines 9-24:** These lines should include all other CEW recovery-related costs not already included under labor and transportation. Use the cost categories on the worksheet appropriate for your operations. The fuel category in this section is related to warehouse operations such as forklifts. You may include additional categories on a separate document and enter the total of those categories into line 24.

**Line 9:** Include your costs associated with marketing your operations. You may also include your marketing effort costs for any public education or outreach components.

**Line 10:** Supplies used in recovery activities may include, but are not limited to, pallets, boxes, stretch film, and other packaging. Indicate in the Calculation Method column what materials you consider supplies and be prepared to substantiate these categories in an audit.

**Line 11:** Report any payments made to entities from which you received CEW. This would include payments made to sources, handlers, auctions, event organizers, etc.

**Line 12:** According to 14 CCR Section 18660.6(d)(3), “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.” If you were required to make any payments to recyclers for processing CEW, include that amount here. Do not include any charges for ineligible CEW.

**Lines 13-23:** 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 maintained on file at your business. Please note in the Calculation Method column, or in line 26, 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 26 or in a separate document.

**Line 24:** Use this line to report any additional operational costs directly related to the recovery of CEW but not captured elsewhere in the form.

**Line 25:** When entering the report online or using the PDF version of the form, it will automatically total your costs on this line. Otherwise, add the amounts from lines 6-24 and enter the total here. This will be the number reported on Form 220 in line 12 of the column labeled “From 220 C: Collector All CEW”.

**Line 26:** Explain any calculations used to allocate CEW recovery activity costs when necessary.

**Line 27:** Capital expenditures (e.g., for property, buildings, improvements, equipment, or vehicles) should not be listed as expenses elsewhere on the

form. Instead, list capital expenditures here. Report depreciation in line 13 and any associated principal and interest payments in line 15.

**Line 28:** 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, but is helpful information for gauging industry expectations.

**Line 29:** Report here any unique revenues or costs that occurred in the reporting year but is likely to change in future years. For example:

- Unique start-up costs
- Services received free of charge (i.e., volunteer labor)
- Costs bundled in transactions but not monetized (i.e., transportation services)

**Line 30:** Provide here any additional information or studies needed to explain your revenues, costs, or operational matters for CalRecycle to consider when setting the recovery payment rate.

**Line 31:** Enter the percentage of total weight (as reported in line 1 of this worksheet) of CEW you collected from each type of source. The percentages should total 100.

**Line 32:** Enter the percentage of total weight (as reported in line 1 of this worksheet) of CEW you collected through each type of recovery method. The percentages should total 100.

**Line 33:** Mark 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 220R)***

As stated above, if you are going to file on paper, the Form 220 is a summary report and must be accompanied by completed copies of the appropriate Net Cost Worksheets (Form 220C/Form 220R). Instructions for the use of the worksheets are provided first. Form 220C (described above) is to be completed by collectors and recyclers for their CEW recovery activities, and those instructions were covered previously in this document. Form 220R (described in this section) is for use by recyclers only, so a dual entity will complete both worksheets. When submitting on paper, the summary information calculated on these forms must be entered on the Form 220: Annual CEW Net Cost Report. The online process will automatically generate the Form 220 certification page for your signature.

The worksheet is provided in PDF format, and the embedded formulas should automatically total your revenues and costs. You must enter those values into Form 220, and a formula in that worksheet subtracts cost from revenue. For most

reports, total costs will exceed total revenue, resulting in a negative number or net cost. If you show a net revenue, please check to make sure you have not reported revenues in excess of the recycling payment or revenue from the sale of other electronics or their residuals.

The following are line-by-line instructions for completing the Recycler Net Cost Worksheet (Form 220R). These instructions pertain to recyclers for their recycling activities and special care should be exercised to clearly delineate recovery and recycling revenues and costs. Separate reporting of CRT and non-CRT information was optional in previous years, but changes to 14 CCR Section 18660.10(d) made it mandatory to separately report revenues, costs, and weight for CRT and non-CRT CEW recycling activities. You will report values for CRT CEW and non-CRT CEW in the appropriate columns, and 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 in line 28 of this worksheet or attached as an additional document.

Revenue from the resale of useable or repairable devices would not be reportable. If the recycler engages in this type of business, care should be taken to not report any revenue or costs associated with the resold devices (sale of components resulting from cancellation of devices are reportable in line 3 of this worksheet). This is most easily accomplished by using a cost allocation, as the weight of resold devices would not be reportable as well.

**Participant Information:** Enter the name of your organization and your covered electronic waste identification (CEWID) number. You should enter the date the worksheet was prepared. The reporting period already appears on the form.

**Line 1:** Enter the weight of CEW recycled during the reporting year in the CRT CEW and Non-CRT CEW columns. Only CEW that was recycled (cancelled) as part of your participation in the CalRecycle CEW Recycling Program should be reported. If you were only approved to participate for a portion of the year, only report activity during the active period. The weight of electronic waste that is not CEW (such as printers, fax machines, copiers, personal computers and other electronics) should not be entered in this report. Recyclers should report the weight of material received directly from approved collectors (including themselves as an approved collector).

**Line 2:** In the CRT CEW and Non-CRT CEW columns, enter all revenue received from sale of CEW residual commodities used as feedstock in a recycling process.

**Line 3:** In the CRT CEW and Non-CRT CEW column, enter all revenue received from sale of CEW components marketed for reuse as parts. Whole

devices sold for repair or reuse do not fall in this category and should not be reported under revenue, costs, or weight.

**Line 4:** Regulations allow recyclers to charge a fee for CEW recycling. According to 14 CCR Section 18660.6(d)(3), “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.” If you charged a fee to collectors for your CEW recycling services, enter that revenue in the appropriate column.

**Line 5:** Enter any other revenues you receive related to your recycling of CEW. In the Calculation Method column, please indicate why you considered these to be allowable revenues. For example, grants or subsidies specifically related to CEW recycling might be applicable.

**Line 6:** If you are entering the report online or using the PDF version of the form, it will automatically total your revenues on this line. Otherwise, add the amounts from lines 2, 3, 4, and 5 and enter that value here. This will be the number reported in line 11 of the columns labeled “From 220R: Recycler CRT CEW” and “From 220R: Recycler Non-CRT CEW” on Form 220.

**Line 7:** This line should include only direct labor expenses related to the receiving, storing, processing, canceling, 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 in line 23. If the organization is a partnership or sole proprietorship and funds are paid to the owners or withdrawn from the business, that value should be reported here.

**Line 8:** If your organization covered the costs of transporting CEW from collectors, generators, or consolidators to your facility, use this line to report those transportation costs.

**Line 9:** On this line, enter the transportation costs you incurred to transport residuals from your facility to their destination. For CRT glass, lamps, or plasma panel residual transportation, please include it in line 13.

Typical costs to consider include fuel, vehicle depreciation, vehicle leases, vehicle maintenance and repair, 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 leases, 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 reported in the Form 220C: Collector Net Cost Worksheet.

**Line 10:** 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 the Calculation Method column, please indicate why you considered these to be allowable expenses.

**Lines 11-24:** These lines should include all other CEW recycling costs not already included under labor and transportation. Use the cost categories on the worksheet appropriate for your operations. The fuel category in this section is related to warehouse operations like forklifts. You may include additional categories on a separate document and enter the total of those categories in line 25.

**Line 11:** Include your costs associated with marketing your operations. You may also include your marketing effort costs for any public education or outreach components.

**Line 12:** Supplies used in recovery activities may include, but are not limited to, pallets, boxes, stretch film, and other packaging. Please indicate in the Calculation Method column what materials you consider supplies and be prepared to substantiate these categories in an audit.

**Line 13:** Report payments made for the disposition of residuals (CRT glass, lamps, or plasma panels). To help clearly state the cost associated with compliant residual management, include all associated costs (including transportation, fees, etc.). Do not double-count transportation costs from line 9. CalRecycle has determined that it is only appropriate to report any initial glass management costs. If your operation was required to expend additional resources to return to compliance with DTSC regulations, those costs should not be reported in this report.

**Lines 14-24:** 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 maintained on file at your business. Please note in the Calculation Method column, or in line 28, any calculations used to allocate your costs.

**Line 24:** The category of “Other Overhead” can be used to capture other indirect costs not related to the categories in lines 14-23. Be sure to identify the basis for your allocations in line 28 or in a separate document.

**Line 25:** 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 26:** Please report any payments made to collectors in excess of the standard statewide recovery payment rate (\$0.33 or \$0.35 per pound) for CEW.

**Line 27:** If you are filing the report online or using the PDF version of the form, your costs will be automatically totaled on this line. Otherwise, add the amounts in lines 7-26 and enter that value here. This will be the number

reported in line 12 of the column labeled “From 220R: Recycler CRT CEW” and “From 220R: Recycler Non-CRT CEW” on Form 220.

**Line 28:** Explain any calculations used to allocate costs to CEW recycling activities when necessary.

**Line 29:** Capital expenditures (e.g., for property, buildings, improvements, equipment, or vehicles) should not be listed as expenses elsewhere on the forms. Instead, list capital expenditures here. Report depreciation in Line 14 and any associated principal and interest payments in Line 16.

**Line 30:** Enter what you consider a reasonable rate of profit in cents per pound of CEW recycled. Provide your rationale for that reported amount. The rate you enter will not affect your reported net cost, but is helpful information for gauging industry expectations.

**Line 31:** Report here any unique revenue or cost that occurred in the reporting year, but is likely to change in future years. For example:

- Unique start-up cost
- Services received free of charge (i.e., volunteer labor)
- Costs bundled in transactions but not monetized (i.e., transportation services)

**Line 32:** Provide here any additional information or studies needed to explain your revenues, costs, or operational matters for CalRecycle to consider when setting the standard statewide combined recovery and recycling payment rate.

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

Much of the detailed information needed to complete Form 220 and the Annual CEW Net Cost Report is captured and calculated in the 220C and 220R worksheets as described previously. The following are line-by-line instructions for completing Form 220. If you are entering the report online, the system will complete this portion and allow you to print a certification page that must be signed and uploaded to the secure server prior to final submission of the report.

**Lines 1-7:** In this section, you identify your organization and the appropriate contact person for the report.

**Line 8:** Enter the date the report was prepared for submission.

**Line 9:** The reporting period is the previous calendar year or whatever portion of the year your organization was approved to participate. This part of the form is completed for you.

**Line 10:** If you did not handle CEW through the CalRecycle CEW Recycling Program in the reporting period, then place an “X” in the appropriate column (collectors report on the column labeled “From 220C: Collector All CEW”, and recyclers report on the columns labeled “From 220R: Recycler CRT CEW” and “From 220R: Recycler Non-CRT CEW”). Skip to line 16 and fill complete lines 16-



22. You do not need to report cost or revenue information or submit a Form 220C or Form 220R.

**Line 11:** Recovery Activity (collector role): Enter the total revenue received for CEW recovery from line 5 on Form 220C. 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 on the columns labeled “From 220R: Recycler CRT CEW” and “From 220R: Non-CRT CEW” as recorded on line 6 on Form 220R. Do not include any revenue from the combined standard statewide recovery and recycling payment rate paid to you by the state.

**Line 12:** Recovery Activity (collector role): Enter your total cost of CEW recovery (from line 25 on Form 220C).

Recycling Activity (recycler role): Enter your total cost for CEW recycling (from line 27 on Form 220R). Do not include payments of the standard statewide recovery payment rate paid to collectors as costs.

**Line 13:** Subtract line 12 (Total Costs) from line 11 (Total Revenues). In most cases, cost will be more than revenue, resulting in a negative number or net cost. If you are using the PDF version of the form, it will automatically calculate your net cost on this line. Otherwise, perform the calculation and enter that value here.

**Line 14:** Recovery Activity (collector role): Enter the total pounds of CEW recovered during the reporting period in the column labeled “From 220C: Collector All CEW”. This should match the value entered in line 1 of Form 220C. Recyclers must not include any pounds of CEW transferred to them by other approved collectors.

Recycling Activity (recycler role): Enter the total pounds of CEW recycled during the reporting period in the columns labeled “From 220R: Recycler CRT CEW” and “From 220R: Non-CRT CEW”. This should match the value entered in line 1 of Form 220R.

**Line 15:** Divide line 13 (Net Cost) by line 14 (Total Pounds). If you are entering the report online or using the PDF version of the form, your net cost per pound will be automatically calculated on this line. Otherwise, perform the calculation and enter that value here.

**Lines 16-22:** This form must be signed by a person designated in your application as being authorized to sign Net Cost Reports. If entering the report online, you will be able to see the list of authorized signatories.

# Additional Questions and Answers

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## **1. Is it OK to submit my firm's profit and loss statement instead of the Net Cost Worksheets (Forms 220C and 220R)?**

No.

Collectors: You must fill out the Collector Net Cost Worksheet (Form 220C) and then transfer the results to Form 220, the Annual CEW Net Cost Report.

Recyclers: You must fill out the Recycler Net Cost Worksheet (Form 220R) and then transfer the results to the Annual CEW Net Cost Report (Form 220).

Dual Entities: You must fill out the Collector Net Cost Worksheet (Form 220C) and the Recycler Net Cost Worksheet (Form 220R). 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 220C and 220R)?**

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

Collectors: Report the cost from these other categories in line 24 of the Collector Net Cost Worksheet (Form 220C) and provide descriptions of these costs.

Recyclers: Report the costs from these other categories in line 25 of the Recycler Net Cost Worksheet (Form 220R) and provide descriptions of these costs.

Dual Entities: Report the costs from these other categories 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 indirect costs should be reported in line 22 on Form 220C, "Indirect Labor."

Recycler: These indirect costs should be reported in line 23 on Form 220R, "Indirect Labor."

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

**5. We have employees who are involved in recovering and/or recycling both 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, if the method is based on factual records such as bills, receipts, time sheets, invoices, manifests, weight 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/products 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 emailed or faxed reports?**

All: CalRecycle now allows electronic submissions via our secure server but still requires a signed certification statement to be uploaded to the site. Entering data through CalRecycle's site is more secure than sending it by email or fax.

**8. Costs for recycling liquid crystal displays (LCDs) are completely different than for cathode ray tubes (CRTs). Why doesn't CalRecycle ask for cost information on these two streams separately for recycling and for recovery?**

CalRecycle does require recycling activities to be reported separately by CEW category. However, the law requires that we calculate an average net cost for recovering all CEW, including CRT containing devices and LCD containing devices. It is CalRecycle's understanding that there is minimal difference for the collection of these types of devices. We have always welcomed any additional information available about any disparities between the recovery of these items. Due to regulatory changes, we have modified the Form 220R to accept detailed reports from recyclers for CRT and non-CRT CEW separately.

**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 two decimal places—for example, \$0.34. Other figures (such as total costs and pounds) should be reported to the nearest dollar—for example, \$4,500. When reporting online or using the PDF file, it will round to the appropriate decimal.

**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 CalRecycle CEW Recycling Program, and I did not seek any reimbursement through CalRecycle. Do I still have to submit a report?**

Yes. However, you may report via the online system that you did not have reportable activity without entering any cost or revenue details. If reporting on paper, simply place a checkmark in line 10 of Form 220 and skip to the signed declaration section in line 16. There will be no need to submit a Form 220C or Form 220R. You should not report revenue or costs for any electronic waste not subject to reimbursement through the CalRecycle CEW Recycling Program. You may also submit a similar report online using CEWIS by following the online prompts.

If you are no longer conducting activities related to the CalRecycle CEW Recycling Program and would like to withdraw your application, you may send an email requesting the change in status to [ewasteapplications@calrecycle.ca.gov](mailto:ewasteapplications@calrecycle.ca.gov).

**11. As a collector, if a load of CEW is transferred late in the year, but the payment from the recycler isn't received until the following year, in what year should the associated costs and revenues be reported?**

For the purposes of your Net Cost Report, you should be using generally accepted accounting principles. CalRecycle considers the concept of accrual accounting to be an effective means to account for your reportable activities. With this method, you would simply include, in the revenue portion of the report, the expected revenue for payments from the recycler in excess of the standard statewide recovery payment. This way, the recovery activity and associated costs incurred during the reporting year will reconcile to the revenue for that activity.

In the case of a recycler, the affiliated costs and revenues may not be neatly and easily captured in a given reporting year. Recyclers are encouraged to use their knowledge and experience with their operations to provide information that will clearly report the weight, costs, and revenues for the given reporting year on a per pound basis.

# Appendix

## A. Form 220C: Collector Net Cost Worksheet

State of California  
CalRecycle 220C (Rev. 12/2023)

Department of Resources Recycling and Recovery

### Form 220C: Collector Net Cost Worksheet

\*You may also complete and [submit this report online](#), using this document only as a worksheet.\*

Organization name	
CEWID number	
Date prepared	
Reporting period	2023

**Important:** Review the [Guide to Net Cost Reporting](#) prior to completing your report.

#### Weight of CEW Recovered

1. Pounds of CEW recovered as a collector (enter on Form 220)	
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Report only the weight of covered electronic wastes associated with the reported revenues and costs.

#### Revenue from CEW Recovery Activities

Revenue Category	Revenues	Calculation Method
2. Payments in excess of the \$0.33 or \$0.35 collector rate	\$	
3. Revenue from recovery services (e.g., fees charged)	\$	
4. Other allowable revenues (please specify)	\$	
5. Total revenue from recovery activities (enter on Form 220)	\$ 0	

#### Cost of CEW Recovery Activities

Cost Category	Costs	Calculation Method
6. Direct labor	\$	
7. Transporting CEW to collection facility	\$	
8. Transporting CEW from collection facility to recycler	\$	
9. Advertising, marketing, and public education	\$	
10. Supplies used in recovery activities	\$	
11. Payments made in exchange for CEW	\$	
12. Fees charged by recyclers	\$	
13. Depreciation	\$	
14. Insurance (non-transportation)	\$	
15. Debt service	\$	
16. Maintenance	\$	
17. Fuel (non-transportation: e.g., warehouse vehicles, etc.)	\$	
18. Property taxes	\$	
19. Utilities	\$	
20. Facilities and equipment rent or lease	\$	
21. Security	\$	
22. Indirect labor	\$	
23. Other overhead (related to CEW recovery)	\$	
24. Additional costs (please specify)	\$	
25. Total cost of CEW recovery activities (enter on Form 220)	\$ 0	

26. Use this space to provide details on cost calculation methodologies. Attach additional documentation as needed.

**Additional Questions and Notes**

Provide as much detail as possible in your answers to the following questions. Attach additional documentation as needed.

27. Describe any capital expenditures for property, buildings, improvements, equipment, or vehicles and indicate how those costs were characterized in the costs portion of this worksheet.

28. 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.

29. 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).

30. Please use this section to provide other information or studies that CalRecycle may consider when setting the recovery payment rate.

31. Enter the percentage of the total weight of CEW you recovered from each type of source.

Type of Source	%
Residences, individuals	
Commercial businesses	
Institutional (education/government/etc.)	
Other (specify):	
Total of all methods (must total to 100%)	0

32. Enter the percentage of the total weight of CEW you recovered through each recovery method.

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):	
Total of all methods (must total to 100%)	0

33. Identify the types of activities carried out at your facility in addition to CEW recovery.

Types of Activities Carried Out	Check
Recovery of electronic waste other than CEW	<input type="checkbox"/>
Municipal solid waste recycling (e.g., bottles, cans, newspapers, etc.)	<input type="checkbox"/>
Municipal solid waste disposal	<input type="checkbox"/>
Household hazardous waste collection	<input type="checkbox"/>
Other (specify):	<input type="checkbox"/>
Not applicable - only handle CEW	<input type="checkbox"/>

**Please note:** 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. When submitting a hardcopy report, attach this worksheet to the Form 220. In lieu of mailing a hardcopy, CalRecycle strongly recommends electronic submittal of the Net Cost Report via the [Covered Electronic Waste Information System \(CEWIS\)](#), our secure Internet portal. Participants are advised they are also obligated to annually report their handling and/or recycling activities to the [Department of Toxic Substances Control](#).



## B. Form 220R: Recycler Net Cost Worksheet

State of California  
CalRecycle 220R (Rev. 12/2023)

Department of Resources Recycling and Recovery

### Form 220R: Recycler Net Cost Worksheet

\*You may also complete and [submit this report online](#), using this document only as a worksheet.\*

Organization name	
CEWID number	
Date prepared	
Reporting period	2023

**Important:** Review the [Guide to Net Cost Reporting](#) prior to completing your report.

Description	Weight of CEW Recycled	
	CRT CEW	Non-CRT CEW
1. Enter pounds of CEW recycled as a recycler (enter amounts on Form 220)		

Report only the weight of covered electronic wastes associated with the reported revenues and costs.

Revenue Category	Revenue from CEW Recycling Activities		Calculation Method
	CRT CEW	Non-CRT CEW	
2. Revenue from the sale of CEW residual commodities	\$	\$	
3. Revenue from the sale of CEW components	\$	\$	
4. Revenue from fees charged	\$	\$	
5. Other allowable revenues (please specify)	\$	\$	
6. Total revenue from recovery activities (enter on Form 220)	\$ 0	\$ 0	

Cost Category	Cost of CEW Recycling Activities		Calculation Method
	CRT CEW	Non-CRT CEW	
7. Direct labor	\$	\$	
8. Transporting CEW from collector to recycler	\$	\$	
9. Transporting residuals to market/disposal facility	\$	\$	
10. Other allowable transportation	\$	\$	
11. Advertising, marketing, and public education	\$	\$	
12. Supplies used in recycling activities	\$	\$	
13. Residual management (CRT glass, lamps, plasma panels)	\$	\$	
14. Depreciation	\$	\$	

State of California  
 CalRecycle 220R (Rev. 12/2023)  
 Department of Resources Recycling and Recovery

Cost Category	CRT CEW	Non-CRT CEW	Calculation Method
15. Insurance (non-transportation)	\$	\$	
16. Debt service	\$	\$	
17. Maintenance	\$	\$	
18. Fuel (non-transportation: e.g., warehouse vehicles, etc.)	\$	\$	
19. Property taxes	\$	\$	
20. Utilities	\$	\$	
21. Facilities and equipment rent or lease	\$	\$	
22. Security	\$	\$	
23. Indirect labor	\$	\$	
24. Other overhead (related to CEW recovery)	\$	\$	
25. Additional costs (please specify)	\$	\$	
26. Payments in excess of the \$0.26 or \$0.33 collector rate	\$	\$	
27. Total cost of CEW recycling activities (enter on Form 220)	\$ 0	\$ 0	

28. Use this space to provide details on cost calculation methodologies. Attach additional documentation as needed.

**Additional Questions and Notes**

Provide as much detail as possible in your answers to the following questions. Attach additional documentation as needed.

29. Describe any capital expenditures for property, buildings, improvements, equipment, or vehicles and indicate how those costs were characterized in the costs portion of this worksheet.

State of California  
CalRecycle 220R (Rev. 12/2023)

Department of Resources Recycling and Recovery

30. Indicate, on a cents-per-pound of CEW recycled basis, what your organization would consider to be a reasonable profit. Please provide a justification for that amount.

31. 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).

32. Please use this section to provide other information or studies CalRecycle may consider when setting the recovery payment rate.

**Please note:** 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. When submitting a hardcopy report, attach this worksheet to the Form 220 along with your Form 220C. In lieu of mailing a hardcopy, CalRecycle strongly recommends electronic submittal of the Net Cost Report via the [Covered Electronic Waste Information System \(CEWIS\)](#), our secure internet portal. Participants are advised they are also obligated to annually report their handling and/or recycling activities to the [Department of Toxic Substances Control](#).

## C. Form 220: Annual CEW Net Cost Report

State of California  
CalRecycle 220 (Rev. 12/2023)

Department of Resources Recycling and Recovery

### Form 220: Annual CEW Net Cost Report

\*You may also complete and [submit this report online](#), using this document only as a worksheet. \*

1. Organization name	
2. CEWID 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. Phone number for contact person	
8. Date of report preparation	
9. Reporting period	2023

**Important:** Review the [Guide to Net Cost Reporting](#) prior to completing your report.

#### Net Cost Summary

Use the information from the Net Cost Worksheets (Forms 220C and 220R) to complete this summary information.

Description	From 220C: Collector All CEW	From 220R: Recycler CRT CEW	From 220R: Recycler Non-CRT CEW
10. Check here if you did not recover/recycle CEW related to the CEW payment system. Form 220C or Form 220R are not needed. Skip to line 16.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Total revenues for CEW recovery and/or recycling from line 5 on Form 220C (collector) and from line 6 of Form 220R (recycler).	\$	\$	\$
12. Total costs for CEW recovery or recycling from line 25 of Form 220C (collector) and from line 27 of Form 220R (recycler).	\$	\$	\$
13. Net costs: subtract line 12 (costs) from line 11 (revenues). It is typical for total costs to exceed total revenues, resulting in this being a negative number.	\$	0 \$	0 \$
14. Total pounds of CEW recovered (Form 220C) and recycled (Form 220R by type - recyclers only). Include only CEW - not other electronics.			
15. Net cost per pound: divide line 13 (net costs) by line 14 (total pounds). If total costs exceed total revenues, this will be a negative number.	\$	\$	\$

**Signed Declaration**

Must be signed by a person with signature authority for Net Cost Reports as designated pursuant to 14 CCR, 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."

16. Organization name	
17. CEWID number	
18. Printed name	
19. Title	
20. Signature	
21. Date signed	
22. City and state signed	

**Please note:** 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. If submitting a hardcopy report, attach the Form 220C for collectors and both the Form 220C and Form 220R for recyclers. In lieu of mailing a hardcopy, CalRecycle strongly recommends electronic submittal of the Net Cost Report via the [Covered Electronic Waste Information System \(CEWIS\)](#), our secure Internet portal. Participants are advised they are also obligated to annually report their handling and/or recycling activities to the [Department of Toxic Substances Control](#).