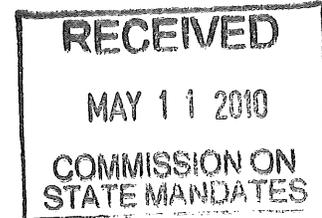




JOHN CHIANG
California State Controller



May 6, 2010

Paula Higashi, Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Annette Chinn
Cost Recovery Systems
705-2 East Bidwell Street, #294
Folsom, CA 95630

Re: Request for Additional Information/Tentative Hearing Date
Investment Reports Incorrect Reduction Claim
City of Tustin, Claimant (02-9635802-I-47)
Fiscal Years 1995-96, 1996-97, 1997-98, and 1998-99
Government Code Section 53646, Subdivisions (a), (b), and (e)
Statutes of 1995, Chapter 783; Statutes of 1996, Chapters 156 and 749

Dear Ms. Higashi and Ms. Chinn:

This letter is in response to Ms. Higashi's letter of April 6, 2010, requesting additional information in regards to the above-entitled matter. The document submitted by Ms. Chinn via email on April 19, 2010, appears to be an accurate copy of the claim we have on file, so a copy of that claim is not included herein. The reasons for reducing the Fiscal Year 1998-99 claim are identical to those cited for the three preceding fiscal years.

Sincerely,

SHAWN D. SILVA
Senior Staff Counsel

SDS/ac

cc: Ginny Brummels, Division of Accounting & Reporting, State Controller's Office
Jim Spano, Division of Audits, State Controller's Office