

## COMMISSION ON STATE MANDATES

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June 8, 2012

Mr. Art Palkowitz  
Stutz Artiano Shinoff & Holtz  
2488 Historic Decatur Road, Suite 200  
San Diego, CA 92106

Mr. Keith Petersen  
SixTen and Associates  
P.O. Box 340430  
Sacramento, CA 95834

*And Affected State Agencies and Interested Parties (See Mailing List)*

RE: **Adopted Statement of Decision and Proposed Parameters and Guidelines**  
*Public Contracts (K-14), 02-TC-35*  
Public Contract Code Sections 2000, et al.  
Statutes 1976, Chapter 921; et al.  
Clovis Unified School District and  
Santa Monica Community College District, Co-Claimants

Dear Mr. Palkowitz and Mr. Petersen:

On May 25, 2012, the Commission on State Mandates (Commission) adopted the statement of decision for the above-entitled matter. State law provides that reimbursement, if any, is subject to Commission approval of parameters and guidelines for reimbursement of the mandated program, approval of a statewide cost estimate, a specific legislative appropriation for such purpose, a timely-filed claim for reimbursement, and subsequent review of the claim by the State Controller's Office.

Following is a description of the responsibilities of all parties and of the Commission during the parameters and guidelines phase.

- **Draft Parameters and Guidelines.** Pursuant to California Code of Regulations, title 2, section 1183.12, the Commission staff is expediting the parameters and guidelines process by enclosing draft parameters and guidelines to assist the claimant. The proposed reimbursable activities are limited to those approved in the statement of decision by the Commission.
- **Claimant's Review of Draft Parameters and Guidelines.** Pursuant to California Code of Regulations, title 2, sections 1183.12(b) and (c), the successful test claimant may file modifications and/or comments on the proposal with Commission staff by **June 28, 2012**. The claimant may also propose a reasonable reimbursement methodology pursuant to Government Code section 17518.5 and California Code of Regulations, title 2, section 1183.13.

**State Agencies and Interested Parties Comments.** State agencies and interested parties may submit recommendations and comments on staff's draft proposal and the claimant's modifications and/or comments within 15 days of service. (Cal. Code Regs., tit. 2, § 1183.11(d).)

**Claimant Responses to State Agency and Interested Party Comments.** The claimant and other interested parties may submit written rebuttals within 15 days of service of state agency and interested party comments. (Cal. Code Regs., tit. 2, § 1183.11(f).)

- **Adoption of Parameters and Guidelines.** After review of the draft parameters and guidelines and all comments, Commission staff will recommend the adoption of an amended, modified, or supplemented version of staff's draft parameters and guidelines. (Cal. Code Regs., tit. 2, § 1183.14.)

#### **Reasonable Reimbursement Methodology and Statewide Estimate of Costs**

- **Test Claimant and Department of Finance Submission of Letter of Intent.** Within 30 days of the Commission's adoption of a statement of decision on a test claim, the test claimant(s) and the Department of Finance may notify the executive director of the Commission in writing of their intent to follow the process described in Government Code sections 17557.1–17557.2 and section 1183.30 of the Commission's regulations to develop a *reasonable reimbursement methodology* and *statewide estimate of costs* for the initial claiming period and budget year for reimbursement of costs mandated by the state. The letter of intent shall include the date on which the test claimant and the Department of Finance will submit a plan to ensure that costs from a representative sample of eligible claimants are considered in the development of a reasonable reimbursement methodology. The date specified shall be no later than 180 days after the date of the letter. (Gov. Code § 17557.1(b)(2).)
- **Test Claimant and Department of Finance Submission of Draft Reasonable Reimbursement Methodology and Statewide Estimate of Costs.** By the date specified in the plan, the test claimant and the Department of Finance shall file and serve the *Draft Reasonable Reimbursement Methodology and Statewide Estimate of Costs* in accordance with Commission regulations section 1181.2.
- **Review of Proposed Reasonable Reimbursement Methodology and Statewide Estimate of Costs.** Upon receipt of the jointly developed proposals, Commission staff shall notify all recipients that they shall have the opportunity to review and provide written comments or recommendations concerning the draft reasonable reimbursement methodology and proposed statewide estimate of costs within 15 days of service. Within 15 days of service of comments on the draft reasonable reimbursement methodology, the test claimant and Department of Finance may submit written rebuttals to Commission staff.
- **Adoption of Reasonable Reimbursement Methodology and Statewide Estimate of Costs.** At least ten days prior to the next hearing, Commission staff shall issue review comments and a staff recommendation on whether the Commission should approve the draft reasonable reimbursement methodology and adopt the proposed statewide estimate of costs pursuant to Government Code section 17557.2.

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You are advised that comments filed with the Commission are required to be simultaneously served on the other interested parties on the mailing list, and to be accompanied by a proof of service. However, this requirement may also be satisfied by electronically filing your documents. Please see <http://www.csm.ca.gov/dropbox.shtml> on the Commission's website for instructions on electronic filing. (Cal. Code Regs., tit. 2, § 1181.2.) If you would like to request an extension of time to file comments, please refer to section 1183.01(c)(1) of the Commission's regulations.

Please contact Heidi Palchik at (916) 323-3562 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Halsey", written in a cursive style.

Heather Halsey  
Executive Director