



BETTY T. YEE
California State Controller

RECEIVED
April 01, 2016
*Commission on
State Mandates*

March 28, 2016

Heather Halsey
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Re: Draft Proposed Decision
Incorrect Reduction Claim
Seriously Emotionally Disturbed Pupils: Out-of-State Mental Health Services,
10-9705-I-01 and 13-9705-I-05
Government Code Section 7576, as amended by Statutes 1996, Chapter 654
California Code of Regulations, Title 2, Division 9, Chapter 1, Sections 60100 and 60110
Fiscal Years: 2001-2002, 2002-03, 2003-04, 2004-05, and 2005-06
San Diego County, Claimant

Dear Ms. Halsey:

The State Controller's Office (SCO) has reviewed the Commission on State Mandates' (Commission) draft staff analysis dated March 15, 2016, for the above incorrect reduction claim filed by San Diego County. We support the Commission's conclusion and recommendation.

The Commission supported the SCO adjustments totaling \$2,626,697 for reductions related to the out-of-state residential placement of seriously emotionally disturbed pupils in facilities that are owned and operated for profit. The program's parameters and guidelines and the underlying state regulation do not support mandate reimbursement for residential placements in for-profit facilities.

If you have any questions, please contact me by telephone at (916) 323-5849.

Sincerely,

JIM L. SPANO, Chief
Mandated Cost Audits Bureau
Division of Audits

JLS/lis

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DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Solano and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

On April 1, 2016, I served the:

SCO Comments on Draft Proposed Decision

Seriously Emotionally Disturbed Pupils: Out-of-State Mental Health Services,
10-9705-I-01 and 13-9705-I-05

Government Code Section 7576, as amended by Statutes 1996, Chapter 654;
California Code of Regulations, Title 2, Division 9, Chapter 1, Sections 60100 and 60110
Fiscal Years: 2001-2002, 2002-2003, 2003-2004, 2004-2005, and 2005-2006
County of San Diego, Claimant

by making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on April 1, 2016 at Sacramento, California.



Heidi J. Palchik
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COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 3/24/16

Claim Number: 10-9705-I-01 Consolidated with 13-9705-I-05

Matter: Seriously Emotionally Disturbed Pupils (SEDS): Out of State Mental Health Services (97-TC-05)

Claimant: County of San Diego

TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.3.)

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