



RECEIVED
February 01, 2017
*Commission on
State Mandates*

BETTY T. YEE
California State Controller

January 31, 2017

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

Re: Draft Proposed Decision

Incorrect Reduction Claim

Handicapped and Disabled Students; Handicapped and Disabled Students II; and Seriously Emotionally Disturbed Pupils: Out-of-State Mental Health Services,
15-9705-I-06

Government Code Sections 7571, 7572, 7572.5, 7572.55, 7576, 7581, and 7586 as added by Statutes 1984, Chapter 1747; and as amended by Statutes 1985, Chapter 1274;

Statutes 1994, Chapter 1128; Statutes 1996, Chapter 654

California Code of Regulations, Title 2, Division 9, Chapter 1, Sections 60020, 60030, 60040, 60045, 60050, 60055, 60100, 60110, 60200, and 60550

Fiscal Years 2006-07, 2007-08, and 2008-09

San Diego County, Claimant

Dear Ms. Halsey:

The State Controller's Office (SCO) has reviewed the Commission on State Mandates' (Commission) draft proposed decision dated January 20, 2017, 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 \$1,387,095 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.

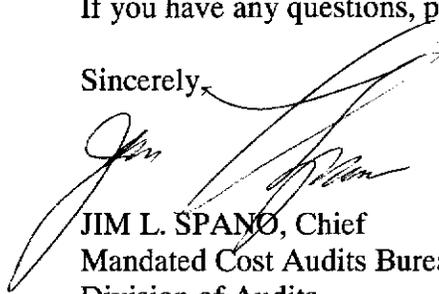
Heather Halsey, Executive Director

January 31, 2017

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jim L. Spano", is written over the word "Sincerely,". The signature is fluid and cursive.

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

JLS/lr

17759

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Sacramento 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 February 1, 2017, I served the:

State Controller's Office Comments on the Draft Proposed Decision

Handicapped and Disabled Students (04-RL-4282-10); Handicapped and Disabled Students II, (02-TC-40/02-TC-49); and Seriously Emotionally Disturbed (SED) Pupils: Out-of-State Mental Health Services (97-TC-05), 15-9705-I-06

Government Code Sections 7571, 7572, 7572.5, 7572.55, 7576, 7581, and 7586 as added by Statutes 1984, Chapter 1747 (AB 3632); and as amended by Statutes 1985, Chapter 1274 (AB 882); Statutes 1994, Chapter 1128 (AB 1892); Statutes 1996, Chapter 654 (AB 2726);

California Code of Regulations, Title 2, Division 9, Chapter 1, Sections 60020, 60030, 60040, 60045, 60050, 60055, 60100, 60110, 60200, and 60550

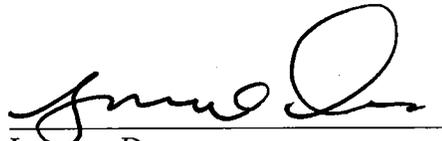
(Emergency regulations effective January 1, 1986 [Register 86, No. 1], and refiled June 30, 1986, designated effective July 12, 1986 [Register 86, No. 28]; and Emergency regulations effective July 1, 1998 [Register 98, No. 26]; final regulations effective August 9, 1999 [Register 99, No. 33])

Fiscal Years: 2006-2007, 2007-2008, and 2008-2009

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 February 1, 2017 at Sacramento, California.



Lorenzo Duran
Commission on State Mandates
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COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 1/18/17

Claim Number: 15-9705-I-06

Matter: Handicapped and Disabled Students (04-RL-4282-10); Handicapped and Disabled Students II (02-TC-40/02-TC-49); Seriously Emotionally Disturbed Pupils (SED); 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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