

ITEM 10C
FINAL STAFF ANALYSIS
PROPOSED AMENDMENT TO PARAMETERS AND GUIDELINES

Education Code Section 49079

Statutes 1989, Chapter 1306; Statutes 1993, Chapter 1257

Notification to Teachers: Pupils Subject to Suspension or Expulsion
05-PGA-57 (CSM-4452)

State Controller's Office, Requestor

Executive Summary

This is a request filed by the State Controller's Office (SCO) to amend the parameters and guidelines for the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program (05-PGA-57 (CSM-4452)) to add language regarding source documentation, and record retention requirements during the period a claim is subject to an audit.

In 2003, upon recommendation from the Bureau of State Audits, direction from the Legislature, and an SCO request, the Commission adopted amendments to parameters and guidelines that clarified what source documentation claimants are required to retain to support the claims they file to obtain reimbursement for mandated programs, and records retention language that identifies the records that must be retained to support an audit initiated by the SCO. The adopted language, commonly referred to as "boilerplate language," has been included in all parameters and guidelines adopted since 2003. In addition, section 1183 of the Commission's regulations require parameters and guidelines to include instruction on claim preparation, notice of the SCO's authority to audit claims, and the amount of time documentation must be retained during the audit period.

The SCO is now requesting that parameters and guidelines adopted prior to 2003 be amended to also include the source documentation and records retention language.

This analysis pertains only to the request to amend the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program. The staff analyses for the other 48 programs will be presented separately.

There is one issue for the Commission's consideration:

- **Should the parameters and guidelines be amended to add the current "boilerplate language"?**

Staff finds that it is appropriate to approve the SCO's request to insert the source documentation and records retention language because it would conform the parameters and guidelines for the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program with the parameters and guidelines adopted for other programs, and is

consistent with section 1183.1 of the Commission's regulations. Therefore, staff included the language requested by the SCO.

Staff Recommendation

Staff recommends that the Commission:

- Adopt the SCO's proposed amendments to the parameters and guidelines for the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program, beginning on page 10.
- Authorize staff to make any non-substantive, technical corrections to the parameters and guidelines following the hearing.

STAFF ANALYSIS

Requestor

State Controller's Office

Chronology

- | | |
|------------|---|
| 01/19/1995 | Commission on State Mandates (Commission) adopts Statement of Decision |
| 07/20/1995 | Commission adopts parameters and guidelines |
| 01/23/2003 | The Commission, upon the recommendation of the Bureau of State Audits, direction from the Legislature, and upon request from the State Controller's Office (SCO), adopts amendments to the <i>School Bus Safety II</i> parameters and guidelines to include "boilerplate language" that details the documentation necessary to support reimbursement claims. After this date, all adopted parameters and guidelines contain this language |
| 04/07/2006 | SCO requests the parameters and guidelines for 49 mandated programs adopted prior to 2003 also be amended to include boilerplate language, including the <i>Notification to Teachers: Pupils Subject to Suspension or Expulsion</i> program analyzed here |
| 04/27/2006 | Commission deems SCO's request for amendment of parameters and guidelines complete and issues for comment |
| 08/01/2008 | Commission amends parameters and guidelines to end the reimbursement period on June 30, 2008 |
| 08/01/2008 | Commission adopts consolidated parameters and guidelines for the <i>Pupil Discipline Records</i> and <i>Notification to Teachers: Pupils Subject to Suspension or Expulsion</i> programs |
| 07/23/2009 | Commission reissues SCO's request for amendment of parameters and guidelines for comment |
| 08/18/2009 | Department of Finance files comments |
| 04/09/2010 | Commission issues draft staff analysis |
| 05/06/2010 | Department of Finance files comments |

Background

This is a request filed by the State Controller's Office (SCO) to amend the parameters and guidelines for the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program (CSM-4452) to add language regarding source documentation, and record retention requirements during the period a claim is subject to an audit. If the Commission on State Mandates (Commission) approves the SCO's request, the amendments would be effective for costs incurred beginning on July 1, 2005.

Test Claim Decision and Parameters and Guidelines

On January 19, 1995, the Commission determined that Education Code section 49079, as added and amended by Chapter 1306/89 and 1257/93, does impose a new program or higher level of service in an existing program upon school districts within the meaning of section 6 of article XIII B of the California Constitution and Government Code section 17514. The program requires school districts, from records maintained in the ordinary course of business or received from law enforcement agencies, to identify pupils who have, during the previous three years, engaged in, or are reasonably suspected to have engaged in, any of the acts described in any of the subdivisions, except subdivision (h), of Education Code section 48900, and to provide this information to teachers on a routine and timely basis.¹

On August 1, 2008, the Commission capped the original parameters and guidelines for *Notification to Teachers: Pupils Subject to Suspension or Expulsion* so reimbursement using the original parameters and guidelines ended on June 30, 2008.² The Commission then adopted consolidated parameters and guidelines for the *Pupil Discipline Records* program and the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program. Claimants must use the consolidated parameters and guidelines to file for costs incurred on or after July 1, 2008.

The parameters and guidelines for the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program do not include the boilerplate language requested by the SCO. The consolidated parameters and guidelines do include the boilerplate language. Therefore, this analysis only addresses proposed amendments made to the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* parameters and guidelines.

Boilerplate Language

On March 28, 2002, the Bureau of State Audits (BSA) issued an audit report on the *School Bus Safety II* program, stating that the parameters and guidelines do not impose sufficient requirements regarding the documentation required to support reimbursement claims, and thus, insufficient documentation was being submitted to support claims.³ The report recommended, among other things, that the Commission work with the SCO, other affected state agencies, and interested parties to make sure the language in the parameters and guidelines and the claiming instructions for the *School Bus Safety II* program reflects the Commission's intentions as well as the SCO's expectations regarding supporting documentation. On June 10, 2002, the SCO proposed that parameters and guidelines be amended to clarify what documentation is necessary to support reimbursement claims and what records must be retained to support audits initiated by the SCO.

Based on BSA's audit findings and recommendations, the Legislature enacted Statutes 2002, chapter 1167 (AB 2781) to direct the Commission to amend the parameters and

¹ Exhibit A.

² Exhibit B.

³ Exhibit C.

guidelines in *School Bus Safety II*, to detail the documentation necessary to support reimbursement claims.

On January 23, 2003, upon recommendation from BSA, direction from the Legislature, and the SCO's request, the Commission adopted the following language regarding source documentation and records retention to the *School Bus Safety II* parameters and guidelines:⁴

Reimbursable Activities

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

Record Retention

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during*

⁴ The Commission also adopted other boilerplate language that is not relevant to this request.

* This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

The Commission has included this language, commonly referred to as “boilerplate language,” in all parameters and guidelines adopted on or after January 23, 2003.

SCO Request to Amend Parameters and Guidelines

On April 7, 2006, the SCO requested that the parameters and guidelines for 49 mandated programs that were adopted prior to 2003 be amended to also include the boilerplate language regarding source documentation and records retention that was adopted by the Commission in 2003.⁵

The parameters and guidelines for the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program is one of the 49 programs the SCO is requesting be amended.

Comments on the Proposal

On April 27, 2006, the Commission issued the SCO’s request to amend the parameters and guidelines for comment. No comments were filed. On July 23, 2009, the Commission reissued the proposal for comment. On August 18, 2009, Department of Finance submitted comments.⁶

In its comments, Finance stated it was neutral on the proposal, because the request to include boilerplate language in the parameters and guidelines for the 49 programs would allow the Controller to complete audit related tasks more efficiently, and provide the claimant with more information and record retention requirements, as well as the statute of limitations for audits.

Commission staff issued the draft staff analysis on April 9, 2010.⁷ On May 6, 2010, the Department of Finance submitted comments concurring with staff’s recommendation to approve the request because changes provide claimants with clear instructions regarding documentation and record retention requirements.⁸

Related Litigation (*Clovis Unified School Dist., et al. v. State Controller*)

This case involves a challenge by school districts and community college districts on reductions made by the State Controller’s Office to reimbursement claims for several mandated programs.⁹ The school districts argue that reductions made on the ground that school districts do not have contemporaneous source documents are invalid.

Trial Court Ruling. On January 2, 2009, the Sacramento County Superior Court (Case No. 06CS00748) issued a clarification of ruling and on February 19, 2009, issued a Judgment and Writ, finding that reductions made by the Controller on the ground that

⁵ Exhibit D.

⁶ Exhibit E.

⁷ Exhibit F.

⁸ Exhibit G.

⁹ The Commission is not a party to this action.

claimants did not have contemporaneous source documents supporting their reimbursement claims were invalid as an underground regulation *if* the contemporaneous source document requirement was not in the Commission’s parameters and guidelines. The court held that the Controller has no authority to reduce a claim on the ground that a claimant did not maintain contemporaneous source documents to support their claim, absent statutory or regulatory authority to require contemporaneous source documents, or language in the parameters and guidelines requiring it. Pursuant to Government Code section 17558, the Controller’s claiming instructions shall be derived from the test claim decision and the adopted parameters and guidelines. Thus, the court granted declaratory relief and a writ of mandate requiring the Controller to set aside the reduction and pay the school district plaintiffs the amounts reduced on two mandated programs that did not have parameters and guidelines language requiring claimants to maintain contemporaneous source documents.

Court of Appeal Filings (Third District Court of Appeal, Case No. C061696). Notices of appeal and cross-appeal have been filed by the SCO, the community college districts, and the school districts, and opening briefs have been filed. The appeal on the issue of the validity of the contemporaneous source documentation requirement remains pending.

Discussion

The proposed amendments to the parameters and guidelines raise the following issue for determination by the Commission:

Issue: Should the parameters and guidelines be amended to add the Commission’s current “boilerplate language”?

In 2003, following recommendation from the BSA and direction from the Legislature, the SCO requested, and the Commission adopted amendments to parameters and guidelines that clarify what source documentation claimants are required to retain to support the claims they file to obtain reimbursement for mandated programs, and records retention language that identifies the records that must be retained to support an audit initiated by the SCO.

The adopted language, as detailed on pages 5 and 6 of this analysis, has been included in all parameters and guidelines adopted since 2003.

In addition, section 1183.1, subdivision (a) (5) and (6) require that the parameters and guidelines contain, among other things, the following:

- Claim preparation. Instruction on claim preparation, including instruction for direct and indirect cost reporting, or application of a reasonable reimbursement methodology.
- Record retention. Notice of the Office of the State Controller’s authority to audit claims and the amount of time supporting documents must be retained during period subject to audit.

The SCO is now requesting that parameters and guidelines adopted prior to 2003 be amended to also include the source documentation and records retention language. This

analysis pertains to the parameters and guidelines for the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program.¹⁰

Inserting the source documentation and records retention boilerplate language would conform the parameters and guidelines for the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program with the parameters and guidelines adopted for other programs, and is consistent with section 1183.1 of the Commission's regulations.

Therefore, staff finds that it is appropriate to approve the SCO's request, and made the following modifications to the parameters and guidelines:

V. *Reimbursable Costs*

Staff inserted the following boilerplate language regarding source documentation, as requested by the SCO:

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

¹⁰ The SCO only requested that the portions of the boilerplate language regarding source documentation and records retention be added to the parameters and guidelines for the 49 programs. There are other sections of the boilerplate language regarding the remedies available before the Commission, and the legal and factual basis for the parameters and guidelines. Staff did not include these sections because the SCO did not request that they be included.

VII. Records Retention

At the request of the SCO, staff removed the existing language regarding records retention, and replaced it with the following boilerplate language regarding records retention.

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.*

Staff Recommendation

Staff recommends that the Commission:

- Adopt the proposed amendments to parameters and guidelines for the *Notification to Teachers: Pupils Subject to Suspension or Expulsion* program, beginning on page 10.
- Authorize staff to make any non-substantive, technical corrections to the parameters and guidelines following the hearing.

* This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

Amended: August 1, 2008

Adopted July 20, 1995

Proposed Amendment: May 27, 2010

PROPOSED AMENDMENT TO PARAMETERS AND GUIDELINES
AMENDMENT

Education Code Section 49079

Statutes 1989, Chapter 1306; ~~Statutes of 1989~~

Statutes 1993, Chapter 1257; ~~Statutes of 1993~~

Notification to Teachers:

Pupils Subject to Suspension or Expulsion

CSM 4452

05-PGA-57 (CSM-4452)

FOR COSTS INCURRED THROUGH JUNE 30, 2008

This amendment is effective beginning with claims filed for the July 1, 2005 through June 30, 2006 period of reimbursement

I. SUMMARY OF THE SOURCE OF THE MANDATE

Chapter 1306, Statutes of 1989, added Education Code section 49079 to require school districts to report to each teacher the names of every student who has caused, or who has attempted to cause, serious bodily injury or injury to another person. The notification was to be based upon any written records the district maintained or received from a law enforcement agency. No district would be liable for failure to comply as long as a good faith effort was made to notify the teacher. Notifications were to commence in the 1990-91 school year utilizing data from the previous year, with a progression to three prior-years of data to be reported by fiscal year 1992-93.

Chapter 1257, Statutes of 1993, amended Education Code section 49079 to specify for the first time the particular pupil behavior that warrants a teacher notification by including the specific reference to Education Code section 48900. The Section was also amended to immunize school personnel from civil or criminal liability unless the information they provide to the teacher was knowingly false.

II. COMMISSION ON STATE MANDATES' DECISION

The Commission on State Mandates, in the Statement of Decision adopted at the January 19, 1995 hearing found that Education Code section 49079 as added by Chapter 1306, Statutes of 1989 and amended by Chapter 1257, Statutes of 1993 imposes a new program of higher level of service within the meaning of Section 6, Article XIII B of the California Constitution, for school districts and county offices of education.

The Commission determined that the following provisions of Education Code section 49079 established costs mandated by the state pursuant to Government Code section 17514, by requiring school districts to:

- (1) From records maintained in the ordinary course of business or received from law enforcement agencies, identify pupils who have, during the previous three years, engaged in, or are reasonably suspected to have engaged in, any of the acts described in any of the subdivisions of Education Code section 48900, except subdivision (h).
- (2) Provide this information to teachers on a routine and timely basis.
- (3) Maintain the information regarding the identified pupils for a period of three years, and adopt a cost effective method to assemble, maintain and disseminate the information to teachers.

III. ELIGIBLE CLAIMANTS

Any "school district," as defined in Government Code section 17519, except for community colleges, which incurs increased costs as a result of this mandate is eligible to claim reimbursement.

IV. PERIOD OF REIMBURSEMENT

This amendment is effective beginning with claims filed for the July 1, 2005 through June 30, 2006 period of reimbursement and This parameters and guidelines amendment is for costs incurred through June 30, 2008. Costs incurred on or after July 1, 2008, shall be filed on the consolidated parameters and guidelines for *Notification to Teachers: Pupils Subject to Suspension or Expulsion* (CSM 4452) and *Pupil Discipline Records and Notification to Teachers: Pupils Subject to Suspension or Expulsion* (00-TC-10/00-TC-11).

Section 17557 of the Government Code states that a test claim must be submitted on or before December 31 following a given fiscal year to establish eligibility for that fiscal year. The test claim for this mandate was filed on February 18, 1994, therefore all mandated costs incurred on or after July 1, 1993, for implementation of Education Code Section 49079 are reimbursable.

Actual costs for one fiscal year should be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Section 17561 (d) (3) of the Government Code, all claims for reimbursement of initial years' costs shall be submitted within 120 days from the date on which the State Controller's Office issues claiming instructions on funded mandates contained in the claims bill.

If the total costs for a given fiscal year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

V. REIMBURSABLE COSTS

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts,

agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

A. Scope of the Mandate

School districts and county offices of education shall be reimbursed for the costs incurred to: identify pupils, from records maintained in the ordinary course of business or received from law enforcement agencies who have, during the previous three years engaged in, or are reasonably suspected to have engaged in, any of the acts described in any of the subdivision of Education Code section 48900, except subdivision (h); and provide this information to teachers on a routine and timely basis.

B. Reimbursable Activities

For each eligible school district or county office of education, the direct and indirect costs of labor, supplies and services incurred for the following mandate components are reimbursable:

1. Identify Pupils

For identifying pupils, from records received from law enforcement agencies or otherwise maintained in the ordinary course of business, who have during the previous three years engaged in or are reasonably suspected to have engaged in any of the acts described in any of the subdivisions, except (h), of section 48900.

2. Information Maintenance

For maintaining the information regarding the identified pupils for a period of three years, and a one-time cost for adopting a cost effective method of assembling, maintaining and disseminating the information to teachers.

3. Notifying Teachers

For notifying teachers on a regular and timely basis of the pupils whose behavior makes them subject to suspension and expulsion and such notification shall be made in a manner designed to maintain confidentiality of this information.

VI. CLAIM PREPARATION

Each claim for a reimbursement pursuant to this mandate must be timely filed and set forth a listing of each item for which reimbursement is claimed under the mandates.

A. Reporting by Components

Claimed costs must be allocated according to the three components of reimbursable activity described in Section V. B.

B. Supporting Documentation

Claimed costs should be supported by the following information.

1. Employee Salaries and Benefits

Identify the employees(s) and their job classification, describe the mandated functions performed, and specify the actual number of hours devoted to each function, the productive hourly rate, and the related benefits. The average number of hours devoted to each function may be claimed if supported by a documented time study.

2. Materials and Supplies

Only the expenditures which can be identified as a direct cost of the mandate can be claimed. List cost of materials which have been consumed or expended specifically for the purpose of this mandate.

3. Contracted Services

Give the name(s) of the contractors(s) who performed the service(s). Describe the activities performed by each named contractor, and give the number of actual hours spent on the activities. Show the inclusive dates when services were performed and itemize all costs for those services.

4. Allowable Overhead Cost

- a. School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.
- b. County offices of education must use the J-580 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the State Department of Education.

C. Cost Accounting

The State Controller is directed to include in its claiming instructions each year the requirement that claimants report to the State Controller the following statistics for the purpose of establishing a database for potential future reimbursement based on prospective rates:

- a. The average number of pupils for which this information is being maintained (i.e., number of pupils identified) for each year.
- b. The average daily attendance for the district for each year.
- c. The number times each year the notification is routinely made to teachers (e.g., quarterly, each semester, or annually).

VII. SUPPORTING DATA RECORD RETENTION

~~For auditing purposes, all costs claimed must be traceable to source documents and/or worksheets that show evidence of the validity of such costs. Pursuant to Government Code section 17558.5, these documents must be kept on file by the agency submitting the claim for a period of no less than four years after the end of the calendar year in which the reimbursement claim is filed, and made available on the request of the State Controller. Pursuant to Government Code section 17558.5, subdivision (a), a~~

reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter¹ is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section V, must be retained during the period subject to audit. If the Controller has initiated an audit during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

VIII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

Any offsetting savings claimant experiences as a direct result of this statute must be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, e.g., service fees collected, federal funds, other state funds etc., shall be identified and deducted from this claim. While not specifically researched, the Commission has not identified any specific offsetting savings from state or federal sources applicable to this mandate.

IX. STATE CONTROLLER'S OFFICE REQUIRED CERTIFICATION

An authorized representative of the claimant will be required to provide a certification of claim, as specified in the State Controller's claiming instructions, for those cost mandated by the state contained herein.

¹ This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.