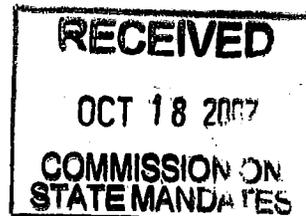




JOHN CHIANG
California State Controller
Division of Accounting and Reporting

October 17, 2007



Ms. Paula Higashi
Executive Director
Commission on State Mandates
980 9th Street, Suite 300
Sacramento, CA 95814

Re: Incorrect Reduction Claim – CMS No. 03-4435-I-45, CMS No. 05-4435-I-50
Chapter 498, Statutes of 1983
Graduation Requirements – Fiscal Years 1998-1999, 1999-2000, 2000-2001, 2001-2002
Clovis Unified School District

Dear Ms. Higashi:

We have reviewed the above-referenced incorrect reduction claims and are responding with our recommendations. Our records indicate that the Graduation Requirement claims for 1998-1999, 1999-2000, 2000-2001 and 2001-2002 have been paid in full. The 1998-1999 claim was paid on claim schedule MA01324X for \$3,175,691.00 dated January 30, 2001, and an accounts receivable was established for \$2,472,350.00 due to a field audit findings adjustment. The 1999-2000 claim was paid on claim schedule MA71307A for \$761,537.00 dated September 26, 2007, and was adjusted for a field audit findings. The 2000-2001 claim was paid on claim schedule MA71308X for \$1,554,800.00 dated September 26, 2007, and was adjusted for a field audit findings and prior collections adjustments. The 2001-2002 claim was paid on claim schedule MA61395A for \$16,618 dated June 8, 2007, and resulted in no adjustments to this claim. Enclosed for your review is a summary of payments and copies of the remittances advices for the payments.

Our office maintains the claims have been fully paid and we recommend that the Commission denies the District's incorrect reduction claim. If you have any questions, please contact Ginny Brummels, Manager of the Local Reimbursements Section, at (916) 324-0256 or Fran Stuart, Associate Accounting Analyst, at (916) 323-0766 or in writing at the State Controller's Office, Division of Accounting and Reporting, P.O. Box 942850, Sacramento, CA 94250-5875.

Sincerely,

JOHN A. KORACH, Chief
Division of Accounting and Reporting

GLB:fs
Enclosures
cc: Keith Peterson, Six Ten and Assoc.
Clovis Unified School District

CLOVIS UNIFIED SCHOOL DISTRICT
 Reimbursement of State Mandated Costs
 Increased Graduation Requirements (IRC)
 Fiscal Year 1998/1999, 1999/2000, 2000-2001, 2001/2002

Claim Schedule Number	Warrant Issue Date	Warrant Amount	Offset/ Recovery Amount	Total Payments
1998/1999				
MA01324x	01/30/2001	\$ 3,150,443	\$ 25,248	3,175,691 *
Total				\$ 3,175,691
* Remittance Advice is not available				
1999/2000				
MA71307A	09/26/2007		\$ 761,537.00	761,537
Total				\$ 761,537
2000-2001				
MA71308X	09/26/2007	\$ 1,554,800.00		1,554,800
Total				\$ 1,554,800
2001-2002				
MA61395A	06/08/2007	\$ 16,618		16,618
Total				\$ 16,618

CONTROLLER OF CALIFORNIA
P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

SL0065

THIS NOTICE IS FOR INFORMATION PURPOSE ONLY.
NO WARRANT WILL BE MAILED.
THE NET PAYMENT AMOUNT WAS ZERO.

BD OF TRUSTEES
CLOVIS U.S.D.
FRESNO CO
1450 HERNDON AVE
CLOVIS CA 93611

*****.00

PAYEE: TREASURER, CLOVIS UNIFIED SCHOOL DIST
FUND NAME: GENERAL FUND

PGM NBR: 00026

ISSUE DATE: 09/26/2007 CLAIM SCHEDULE NBR: MA71307A

REIMBURSEMENT OF STATE MANDATED COSTS
ANY QUESTIONS PLEASE CALL FRAN 916 323-0766
ACL : 6110-295-0001-1999 PROG : GRADUATION REQ'MENTS CH 498/83
1999/2000 ACTUAL PAYMENT CLAIMED AMT: 2,452,070.00
TOTAL ADJUSTMENTS: (SEE BELOW) 1,438,384.00
TOTAL APPROVED CLAIMED AMT: 1,013,686.00
LESS PRIOR PAYMENTS: 252,149.00-
PRORATA PERCENT: 100.000000
APPROVED PAYMENT DUE: .00
APPROVED PAYMENT AMOUNT: 761,537.00
PAYMENT OFFSETS (ACL NBR, NAME, FY, AMT.): 761,537-
6110-295-0001-1998 GRADUATION REQ'MENTS CH 98/99
NET PAYMENT AMOUNT: .00
ADJUSTMENTS ITEMIZED: =====
FIELD AUDIT FINDINGS 1,438,384.00-

CONTROLLER OF CALIFORNIA
P.O. BOX 942850, SACRAMENTO, CALIFORNIA 94250

SIJ065

THIS REMITTANCE ADVICE IS FOR INFORMATION PURPOSE ONLY.
THE WARRANT COVERING THE AMOUNT SHOWN WILL BE MAILED
DIRECTLY TO THE PAYEE.

BD OF TRUSTEES
CLOVIS U.S.D.
FRESNO CO
1450 HERNDON AVE
CLOVIS CA 93611

WARRANT AMT: ****16,618.00

PAYEE: TREASURER, CLOVIS UNIFIED SCHOOL DIST
FUND NAME: GENERAL FUND

PGM NBR: 00026

ISSUE DATE: 06/08/2007 CLAIM SCHEDULE NBR: MA61395A

REIMBURSEMENT OF STATE MANDATED COSTS
ANY QUESTIONS REGARDING THIS CLAIM CALL FRAN 916 323-0766
ACL : 6110-295-0001-2001 PROG : GRADUATION REQ'MENTS CH 498/83
2001/2002 ACTUAL PAYMENT CLAIMED AMT: 1,142,001.00
TOTAL ADJUSTMENTS:
TOTAL APPROVED CLAIMED AMT: 1,142,001.00
LESS PRIOR PAYMENTS: 1,125,383.00-
PRORATA PERCENT: 100.000000
PRORATA BALANCE DUE: 16,618.00
APPROVED PAYMENT AMOUNT:
PAYMENT OFFSETS -NONE
NET PAYMENT AMOUNT: 16,618.00

COMMISSION ON STATE MANDATES

980 NINTH STREET, SUITE 300
 SACRAMENTO, CA 95814
 PHONE: (916) 323-3562
 FAX: (916) 445-0278
 E-mail: csminfo@csm.ca.gov



September 6, 2007

Mr. Keith B. Petersen
 SixTen and Associates
 3841 North Freeway Blvd., Suite 170
 Sacramento, CA 95834

Ms. Ginny Brummels
 Division of Accounting and Reporting
 State Controller's Office
 3301 C Street, Suite 501
 Sacramento, CA 95816

Re: **Incorrect Reduction Claim – Comment Period and Notice of Hearing**
Graduation Requirements, 05-4435-I-50
 Clovis Unified School District, Claimant
 Education Code Section 51225.3
 Statutes 1983, Chapter 498
 Fiscal Years 1998-1999, 1999-2000, 2000-2001, 2001-2002

Dear Mr. Petersen and Ms. Brummels:

On September 6, 2005, Clovis Unified School District filed an incorrect reduction claim with the Commission on State Mandates (Commission) based on the *Graduation Requirements* program for fiscal years 1998-1999, 1999-2000, 2000-2001, 2001-2002. A copy of the incorrect reduction claim was provided to the State Controller's Office on September 16, 2005. To date, the Commission has not received a response to the incorrect reduction claim from the State Controller's Office.

Revised Schedule and Comment Period: The State Controller's Office may file comments with the Commission on the incorrect reduction claim by October 5, 2007. Rebuttal comments are due on November 5, 2007.

Please address in the comments the effect of the recent court decisions on the *Graduation Requirements* program to this claim: *San Diego Unified School District, et al. v. Commission on State Mandates* (Sacramento County Superior Court Case No 03CS01401, consolidated with Case Nos. 03CS01568, 03CS01569, 03CS01570, 03CS01702, 04CS00028), and in *West Contra Costa Unified School District, et al. v. Commission on State Mandates, et al* (Sacramento County Superior Court Case No. 05CS01253, consolidated with Case Nos. 05CS01262, 05CS01237, 05CS01256, 05CS01401).

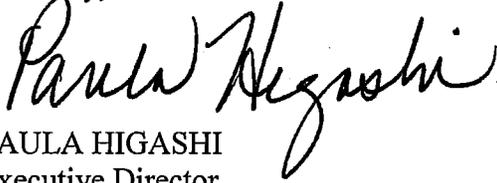
Staff Analysis: After the record closes, Commission staff will review the comments and prepare a draft staff analysis on the incorrect reduction claim. The draft staff analysis will be issued for public comment and review at least 8 weeks before the hearing.

Commission Hearing – January 31, 2008

This item is scheduled for hearing on January 31, 2008, at 9:30 a.m. in room 126 of the State Capitol, Sacramento, California. Please let us know in advance if you or a representative of your agency will testify at the hearing, and if other witnesses will appear.

Please contact Camille Shelton, Chief Legal Counsel, at (916)323-8215 with questions.

Sincerely,

A handwritten signature in black ink that reads "Paula Higashi". The signature is written in a cursive style with a large initial "P" and a long, sweeping underline.

PAULA HIGASHI
Executive Director

COMMISSION ON STATE MANDATES

980 NINTH STREET, SUITE 300
 SACRAMENTO, CA 95814
 PHONE: (916) 323-3562
 FAX: (916) 445-0278
 E-mail: csminfo@csm.ca.gov



September 6, 2007

Mr. Keith B. Petersen
 SixTen and Associates
 3841 North Freeway Blvd., Suite 170
 Sacramento, CA 95834

Ms. Ginny Brummels
 Division of Accounting and Reporting
 State Controller's Office
 3301 C Street, Suite 501
 Sacramento, CA 95816

Re: **Incorrect Reduction Claim – Comment Period and Notice of Hearing**
Graduation Requirements, 03-4435-I-45
 Clovis Unified School District, Claimant
 Statutes 1983, Chapter 498
 Education Code Section 51225.3
 Fiscal Years 1999-2000 and 2001-2002

Dear Mr. Petersen and Ms. Brummels:

On February 20, 2004, Clovis Unified School District filed an incorrect reduction claim with the Commission on State Mandates (Commission) based on the *Graduation Requirements* program for fiscal years 1999-2000 and 2001-2002. A copy of the incorrect reduction claim was provided to the State Controller's Office on March 2, 2004. To date, the Commission has not received a response to the incorrect reduction claim from the State Controller's Office.

Revised Schedule and Comment Period: The State Controller's Office may file comments with the Commission on the incorrect reduction claim by October 5, 2007. Rebuttal comments are due on November 5, 2007.

Please address in the comments the effect of the recent court decisions on the *Graduation Requirements* program to this claim: *San Diego Unified School District, et al. v. Commission on State Mandates* (Sacramento County Superior Court Case No 03CS01401, consolidated with Case Nos. 03CS01568, 03CS01569, 03CS01570, 03CS01702, 04CS00028), and in *West Contra Costa Unified School District, et al. v. Commission on State Mandates, et al* (Sacramento County Superior Court Case No. 05CS01253, consolidated with Case Nos. 05CS01262, 05CS01237, 05CS01256, 05CS01401).

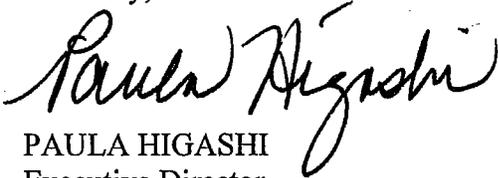
Staff Analysis: After the record closes, Commission staff will review the comments and prepare a draft staff analysis on the incorrect reduction claim. The draft staff analysis will be issued for public comment and review at least 8 weeks before the hearing.

Commission Hearing – January 31, 2008

This item is scheduled for hearing on January 31, 2008, at 9:30 a.m. in room 126 of the State Capitol, Sacramento, California. Please let us know in advance if you or a representative of your agency will testify at the hearing, and if other witnesses will appear.

Please contact Camille Shelton, Chief Legal Counsel, at (916)323-8215 with questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Paula Higashi". The signature is written in a cursive style with a large initial "P" and a long, sweeping underline.

PAULA HIGASHI
Executive Director

