

**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



October 10, 2006

Mr. Keith B. Petersen  
SixTen and Associates  
5252 Balboa Avenue, Suite 807  
San Diego, CA 92117

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

**Re: Final Staff Analysis and Proposed Parameters and Guidelines**Proposed Parameters and Guidelines

*Missing Children Reports, 01-TC-09*

San Jose Unified School District, Claimant

Education Code Sections 38139 and 49068.6

Statutes 1986, Chapter 249; Statutes 1996, Chapter 277;

Statutes 1999; Chapter 832

Request to Consolidate Parameters and Guidelines

*With Law Enforcement Agency Notifications, 04-PGA-03*

Education Code Section 48902, Subdivision (c)

Statutes 1989, Chapter 1117

Dear Mr. Petersen:

The final staff analysis and proposed parameters and guidelines are enclosed.

**Hearing**

This matter is set for hearing on **Thursday, October 26, 2006, at 9:30 a.m.** in Room 126 of the State Capitol, Sacramento, California. This item is scheduled on the proposed consent calendar unless any party objects. Please let us know in advance if you or a representative of your agency will testify at the hearing, or if other witnesses will appear.

**Special Accommodations**

For any special accommodations such as a sign language interpreter, an assistive listening device, materials in an alternative format, or any other accommodations, please contact the Commission Office at least five to seven *working* days prior to the meeting.

If you have any questions, please contact Tina Poole at (916) 323-8220.

Sincerely,

PAULA HIGASHI  
Executive Director

Enclosures

**ITEM 12**  
**FINAL STAFF ANALYSIS**  
**PROPOSED PARAMETERS AND GUIDELINES**

Education Code Sections 38139, subdivisions (a) and (b) and  
49068.6, subdivisions (b) and (d)

Statutes 1986, Chapter 249  
Statutes 1999, Chapter 832

*Missing Children Reports (01-TC-09)*

San Jose Unified School District, Claimant

**AND**

**REQUEST TO CONSOLIDATE PARAMETERS AND GUIDELINES**

Education Code Section 48902, Subdivision (c)  
Statutes 1989, Chapter 1117

*Law Enforcement Agency Notifications*  
04-PGA-03 (01-TC-09, CSM 4505)

San Jose Unified School District, Requestor

---

**EXECUTIVE SUMMARY**

The claimant, San Jose Unified School District, submitted proposed parameters and guidelines for the *Missing Children Reports* program (01-TC-09) and a request to consolidate these parameters and guidelines with the existing parameters and guidelines for the *Law Enforcement Agency Notification* program (04-PGA-03).<sup>1</sup> The claimant requested consolidation of these parameters and guidelines because the reimbursable activities for each program are administered by the same departments and employees within a school district, and consolidation will make it easier to seek reimbursement.

*Missing Children Reports*

On January 27, 2005, the Commission adopted the Statement of Decision for *Missing Children Reports* (01-TC-09).<sup>2</sup> The Commission found that the test claim legislation constitutes a new program or higher level of service and imposes costs mandated by the state on school districts within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514. Accordingly, the Commission approved this test claim for the following reimbursable activities:

- For public primary and secondary schools to post information regarding missing children in appropriate areas (§ 38139, subs. (a) & (b)).

---

<sup>1</sup> Exhibit A.

<sup>2</sup> Exhibit B.

- For schools notified of a missing child to post a notice that the child has been reported missing on the front of the missing child's school record. (§ 49068.6, subd. (b)).
- For schools to notify law enforcement if the school receives a record inquiry about a missing child. (§ 49068.6, subd. (d)).

### Law Enforcement Agency Notifications

On October 31, 1996, the Commission adopted its Statement of Decision for *Law Enforcement Agency Notifications* program.<sup>3</sup> This program requires school districts to notify the appropriate law enforcement agency of any acts of a pupil that may involve the possession or sale of narcotics or controlled substance, or possession or discharge of a firearm at school, or possession of any dirk dagger, ice pick or other type of knife on school grounds.<sup>4</sup> On February 27, 1997, the Commission adopted the parameters and guidelines for this program.<sup>5</sup> The parameters and guidelines provide reimbursement for preparing and filing a report with the appropriate law enforcement authorities and maintaining a record of the reports filed.

### **Discussion**

On September 8, 2006, Commission staff issued the draft staff analysis and proposed parameters and guidelines for the *Missing Children Reports* program and the request to consolidate these parameters and guidelines with the *Law Enforcement Agency Notifications* program for comment. No comments were filed. Therefore, no changes were made to the draft staff analysis and proposed parameters and guidelines, as originally issued.

### **Staff Recommendation**

Staff recommends that the Commission adopt the following:

1. The attached proposed parameters and guidelines for the initial claiming period of July 1, 2000 through June 30, 2006 for the *Missing Children Reports*, beginning on page 7.
2. The attached amended parameters and guidelines for the *Law Enforcement Agency Notification* program that cap reimbursement effective June 30, 2006, beginning on page 13.
3. The attached new consolidated parameters and guidelines for both programs effective July 1, 2007, beginning on page 21.

Staff also recommends that the Commission authorize staff to make any non-substantive, technical corrections to the parameters and guidelines following the hearing.

---

<sup>3</sup> Exhibit C.

<sup>4</sup> Penal Code section 626.9, known as the Gun-Free School Zone Act, makes it a crime, with certain exceptions, for a person to possess or to discharge a firearm in a school zone. Penal Code section 626.10 makes it a public offense, with certain exceptions, for a person to bring or possess any dirk, dagger, ice pick, knife unguarded razor blade, taser, stun gun, BB gun, pellet gun or spot marker gun upon school grounds.

<sup>5</sup> Exhibit D.

## STAFF ANALYSIS

### Claimant

San Jose Unified School District

### Chronology

- 12/05/01 Claimant files test claim
- 01/27/05 Commission on State Mandates (Commission) adopts Statement of Decision
- 02/14/05 Claimant submits proposed parameters and guidelines and request to consolidate parameters and guidelines for *Missing Children Reports* and *Law Enforcement Agency Notifications* programs
- 04/08/05 Department of Finance (DOF) submits comments
- 09/08/06 Commission issues draft staff analysis and proposed consolidated parameters and guidelines
- 10/10/06 Commission issues final staff analysis and proposed consolidated parameters and guidelines

### Introduction

The claimant, San Jose Unified School District, is submitting its proposed parameters and guidelines for the *Missing Children Reports* (01-TC-09) program for approval. At the same time, the claimant also requests that these new parameters and guidelines be consolidated with the existing parameters and guidelines for the *Law Enforcement Agency Notification* (04-PGA-03) program.<sup>6</sup>

The claimant is requesting consolidation of the parameters and guidelines for these programs because the reimbursable activities for each program are administered by the same departments and employees within a school district, and consolidation will make it easier to seek reimbursement.

### Background and Summary of the Claims

#### *Missing Children Reports*

The test claim statutes impose several requirements on school districts for posting missing children bulletins, and notifying law enforcement agencies and parents of certain information about missing children.

On January 27, 2005, the Commission adopted the Statement of Decision for *Missing Children Reports* (01-TC-09).<sup>7</sup> The Commission found that the test claim legislation constitutes a new program or higher level of service and imposes costs mandated by the state on school districts within the meaning of article XIII B, section 6, of the California Constitution and Government

---

<sup>6</sup> Exhibit A.

<sup>7</sup> Exhibit B.

Code section 17514. Accordingly, the Commission approved this test claim for the following reimbursable activities:

- For public primary and secondary schools to post information regarding missing children in appropriate areas (§ 38139, subds. (a) & (b)).
- For schools notified of a missing child to post a notice that the child has been reported missing on the front of the missing child’s school record. (§ 49068.6, subd. (b)).
- For schools to notify law enforcement if the school receives a record inquiry about a missing child. (§ 49068.6, subd. (d)).

#### Law Enforcement Agency Notifications

On October 31, 1996, the Commission adopted its Statement of Decision for *Law Enforcement Agency Notifications* program (CSM 4505).<sup>8</sup> This program requires school districts to notify the appropriate law enforcement agency of any acts of a pupil that may involve the possession or sale of narcotics or controlled substance, or possession or discharge of a firearm at school, or possession of any dirk dagger, ice pick or other type of knife on school grounds.<sup>9</sup> On February 27, 1997, the Commission adopted the parameters and guidelines for this program.<sup>10</sup> The parameters and guidelines provide reimbursement for preparing and filing a report with the appropriate law enforcement authorities and maintaining a record of the reports filed.

#### **Position of Department of Finance**

On March 30, 2005, DOF filed comments, stating that the proposed parameters and guidelines for the *Missing Children Reports* program appear to be consistent with the Statement of Decision. However, DOF recommended that the proposed consolidation of the parameters and guidelines for *Missing Children Reports* and *Law Enforcement Agency Notifications* be denied.<sup>11</sup> DOF stated:

... the amendments proposed to the parameters and guidelines for “Law Enforcement Agency Notifications” appear to be unrelated to that original mandate, would include the same activities proposed for inclusion in the parameters and guidelines for Test Claim 01-TC-09, and for both these reasons should be rejected in their entirety.

No other agency filed comments on the proposed parameters and guidelines, or proposed consolidation of parameters and guidelines.

---

<sup>8</sup> Exhibit C.

<sup>9</sup> Penal Code section 626.9, known as the Gun-Free School Zone Act, makes it a crime, with certain exceptions, for a person to possess or to discharge a firearm in a school zone. Penal Code section 626.10 makes it a public offense, with certain exceptions, for a person to bring or possess any dirk, dagger, ice pick, knife unguarded razor blade, taser, stun gun, BB gun, pellet gun or spot marker gun upon school grounds.

<sup>10</sup> Exhibit D.

<sup>11</sup> Exhibit E.

## Discussion

### Request to Consolidate Parameters and Guidelines

Staff reviewed the claimant's request to consolidate the parameters and guidelines for the *Missing Children Reports* and *Law Enforcement Agency Notifications* programs, and reviewed the comments received. Both programs require school districts to communicate with law enforcement agencies. The *Missing Children Reports* program requires school districts to notify law enforcement agencies when an inquiry is made on a missing child. The *Law Enforcement Agency Notification* program requires school districts to notify law enforcement agencies of certain illegal actions carried out by pupils.

The claimant's representative states that while the programs may seem unrelated, they are both law enforcement programs, and as such, they are administered by the same department within a school district, and the same personnel within a school site. Combining the parameters and guidelines for these programs could make it easier for school districts to file reimbursement claims. It could also make it easier for the SCO to complete its work when paying the reimbursement claims. In its March 31, 2006 Deficiency Report, the SCO reported that 190 school districts claimed estimated costs for fiscal year 2005-2006, and 199 school districts claimed costs in 2004-2005. Consolidation of these parameters and guidelines would reduce the number of claims the SCO must process each year. Thus, staff finds that it is reasonable to consolidate the parameters and guidelines for the *Missing Children Reports* and *Law Enforcement Agency Notification* programs.

Therefore, staff is proposing adoption of three sets of parameters and guidelines:

1. Parameters and guidelines to cover the initial reimbursement period (July 1, 2000 through June 30, 2006) for the *Missing Children Reports* program.
2. Amended parameters and guidelines for the *Law Enforcement Agency Notifications* program that clarify these existing parameters and guideline end effective June 30, 2006.
3. Consolidated parameters and guidelines for both programs that are effective July 1, 2007.

Following are the proposed changes to each set of parameters and guidelines. Staff reviewed the claimant's proposal and the comments received from DOF. Staff made non-substantive, technical changes to each set of parameters and guidelines for purposes of clarification, consistency with language in other parameters and guidelines, and conformity to the Statement of Decision and statutory language.

Substantive changes were made to the following sections of the claimant's proposed parameters and guidelines:

### ***III. Period of Reimbursement***

This section was revised in the three sets of parameters and guidelines to clarify reimbursement periods as follows:

*Missing Children Reports*: the parameters and guidelines are effective for the initial claiming period: July 1, 2000 through June 30, 2006. Effective July 1, 2006, claimants must adhere to the consolidated parameters and guidelines.

*Law Enforcement Agency Notification Parameters and Guidelines:* the parameters and guidelines are effective until June 30, 2006. Effective July 1, 2006, claimant must adhere to the consolidated parameters and guidelines.

*Consolidated Parameters and Guidelines:* the consolidated parameters and guidelines are effective July 1, 2007.

#### **IV. Reimbursable Activities**

Staff included the activities found to be reimbursable in the Statement of Decision in the *Missing Children Reports* parameters and guidelines and the consolidated parameters and guidelines for *Missing Children Reports* and *Law Enforcement Agency Notifications*.

The claimant pled other activities in the test claim such as reviewing the law, preparing and updating policies and procedures to comply with new law, and training personnel. The Statement of Decision noted that because these activities were not included in the test claim statutes, they would be more appropriately addressed during the parameters and guidelines phase. However, the claimant's proposed parameters and guidelines did not include these activities.

Staff finds that there is no evidence in the record that these activities are reasonable methods of complying with the mandate or are necessary to carry out the mandated program. Therefore, staff did not include them in the either set of proposed parameters and guidelines.

#### **Staff Recommendation**

Staff recommends that the Commission adopt the following:

1. The attached proposed parameters and guidelines for the initial claiming period of July 1, 2000 through June 30, 2006 for the *Missing Children Reports*, beginning on page 7.
2. The attached amended parameters and guidelines for the *Law Enforcement Agency Notification* program that cap reimbursement effective June 30, 2006, beginning on page 13.
3. The attached new consolidated parameters and guidelines for both programs effective July 1, 2007, beginning on page 21.

Staff also recommends that the Commission authorize staff to make any non-substantive, technical corrections to the parameters and guidelines following the hearing.

**CLAIMANT'S PROPOSED PARAMETERS AND GUIDELINES,**  
**AS MODIFIED BY STAFF**

Education Code Sections 38139, Subdivisions (a) and (b) and  
49068.6, Subdivisions (b) and (d)

Statutes of 1986, Chapter 249

Statutes of 1999, Chapter 832

*Missing Children Reports*  
(01-TC-09)

San Jose Unified School District, Claimant

**I. SUMMARY OF THE MANDATE**

The test claim statutes impose numerous requirements on school districts for posting missing children bulletins, and notifying law enforcement agencies and parents of certain information about missing children.

Per Statement of Decision On January 27, 2005, the Commission on State Mandates (Commission) adopted the Statement of Decision for *Missing Children Reports* (01-TC-09). The Commission found that Education Code sections 38139, subdivisions (a) and (b), and 49068.6, subdivisions (b) and (d), constitute a new program or higher level of service and impose a reimbursable state-mandated program on school districts within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514. Accordingly, the Commission approved this test claim for the following reimbursable activities:

- For public primary and secondary schools to post information regarding missing children in appropriate areas (§ 38139, subs. (a) & (b)).
- For schools notified of a missing child to post a notice that the child has been reported missing on the front of the missing child's school record. (§ 49068.6, subd. (b)).
- For schools to notify law enforcement if the school receives a record inquiry about a missing child. (§ 49068.6, subd. (d)).

The Commission found that all other statutes and executive orders in the test claim are not reimbursable state-mandated programs within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514.

**II. ELIGIBLE CLAIMANTS**

Any School districts and/or county offices of education- that incurs increased costs as a direct result of this reimbursable state-mandated program is eligible to claim reimbursement of those costs.

### III. PERIOD OF REIMBURSEMENT

Government Code section 17557 states that a test claim must be submitted on or before June 30 following a fiscal year to establish eligibility for that fiscal year. The test claim for this mandate was filed on December 5, 2001. Therefore, costs incurred for compliance with this mandate are reimbursable on or after ~~so reimbursement begins~~ July 1, 2000. These parameters and guidelines are effective from July 1, 2000 to June 30, 2006. Effective July 1, 2007, claimants shall use the consolidated parameters and guidelines for *Missing Children Reports and Law Enforcement Agency Notifications*.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1)(A), all claims for reimbursement of initial fiscal year costs shall be submitted to the State Controller within 120 days of the issuance date for the claiming instructions.

If the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

### IV. 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, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. 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.

For each eligible claimant, the following activities are reimbursable eligible for reimbursement:

#### A. On going Activities:

1. Posting Notices (EDC-Ed. Code § 38139, subd. (a) ~~&~~ and (b))

Posting at an appropriate area (one restricted to adults for primary schools) all information regarding missing children.

2. Filing Law Enforcement Agency Notices (EDCEd. Code § 49068.6, subd. (b))  
Placing the notice received from law enforcement agencies of a missing child in the front of the student's school record.
3. Report of Record Request (EDCEd. Code § 49068.6, subd. (d))  
Notifying law enforcement authorities when the school receives an outside student record inquiry or request regarding a missing child.

## V. CLAIM PREPARATION AND SUBMISSION

~~Commission boilerplate for the rest of the document. Claimant will respond to current boilerplate when it is drafted into the document by the Commission staff.~~

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

### A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

#### 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

#### 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

#### 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

#### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

## 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

## B. Indirect Cost Rates

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.

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

## **VI. 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<sup>1</sup> 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 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.

## **VII. OFFSETTING REVENUES AND OTHER REIMBURSEMENTS**

Any offsets the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source, including but not limited to, service fees collected, federal funds, and other state funds, shall be identified and deducted from this claim.

---

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

## **VIII. STATE CONTROLLER'S CLAIMING INSTRUCTIONS**

Pursuant to Government Code section 17558, subdivision (b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

## **IX. REMEDIES BEFORE THE COMMISSION**

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

## **X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES**

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.



## **Proposed Parameters and Guidelines Amendment**

Education Code Section 48902, Subdivision (c)

Chapter 1117, Statutes of 1989

*Law Enforcement Agency Notifications*

CSM 4505

### **I. SUMMARY OF THE MANDATE SOURCE**

The test claim statutes require school authorities to notify the appropriate law enforcement agency of any acts of a pupil that may involve the possession or sale of narcotics or of a controlled substance or a violation of Penal Code sections 626.9 and 626.10.<sup>1</sup>

On October 31, 1996, the Commission on State Mandates (Commission) adopted the Statement of Decision for the *Law Enforcement Agency Notification* program. The Commission found that Education Code section 48902, subdivision (c) constitutes a new program or higher level of service and impose a reimbursable state-mandated program on school districts within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514. Accordingly, the Commission approved this test claim for the following reimbursable activities:

- notify the appropriate law enforcement agency of any acts of a pupil that may involve the possession or sale of narcotics or of a controlled substance or a violation of Penal Code sections 626.9 and 626.10.

~~The provisions of Education Code section 48902, subdivision (c), as added by Chapter 1117, Statutes of 1989 require school authorities to notify the appropriate law enforcement agency of any acts of a pupil that may involve the possession or sale of narcotics or of a controlled substance or a violation of Penal Code sections 626.9 and 626.10.~~

~~Penal Code section 626.9, known as the Gun-Free School Zone Act, makes it a crime, with certain exceptions, for a person to possess or to discharge a firearm in a school zone. Penal Code section 626.10 makes it a public offense, with certain exceptions, for a person to bring or possess any dirk, dagger, ice pick, knife unguarded razor blade, taser, stun gun, BB gun, pellet gun or spot marker gun upon school grounds.~~

~~H. — Commission on State Mandates Decision~~

---

<sup>1</sup> Penal Code section 626.9, known as the Gun-Free School Zone Act, makes it a crime, with certain exceptions, for a person to possess or to discharge a firearm in a school zone. Penal Code section 626.10 makes it a public offense, with certain exceptions, for a person to bring or possess any dirk, dagger, ice pick, knife unguarded razor blade, taser, stun gun, BB gun, pellet gun or spot marker gun upon school grounds.

At its October 31, 1996 hearing, the Commission on State Mandates determined that the provisions of Education Code section 48902, subdivision (c), as added by Chapter 1117, Statutes of 1989, impose a reimbursable state-mandated program. The school districts are required to have school authorities notify the appropriate law enforcement agency of any acts of a pupil that may involve the possession or sale of narcotics or of a controlled substance or a violation of Penal Code sections 626.9 and 626.10.

#### **IV. II. ELIGIBLE CLAIMANTS**

Any “school district”, ~~or county office of education as defined in Government Code section 17519, except for community colleges, which~~ that incurs increased costs as a direct result of this reimbursable state-mandated program is eligible to claim reimbursement of those costs.

#### **IV III. PERIOD OF REIMBURSEMENT**

~~V. Government Code section 17557 states that a~~ test claim must be submitted on or before June 30 ~~December 31~~ following a given fiscal year to establish eligibility for that fiscal year ~~as defined in Government Code section 17519. Chapter 1117, Statutes of 1989, was approved by the Governor on September 29, 1989 and became operative on January 1, 1990.~~

The test claim for this ~~the subject~~ mandate was filed ~~by the Tustin Unified School District and the San Diego Unified School District~~ on December 15, 1995. Therefore, costs incurred for compliance with this mandate ~~Chapter 1117, Statutes of 1989~~ are reimbursable; on or after July 1, 1994, ~~for implementation of Education Code section 48902(c) are eligible for reimbursement.~~ These parameters and guidelines are effective from July 1, 1994 to June 30, 2006. Effective July 1, 2007, claimants shall use the consolidated parameters and guidelines for *Missing Children Reports and Law Enforcement Agency Notifications*.

~~Pursuant to Government Code section 17561,~~ A actual costs for one fiscal year shall be included in each claim, ~~and~~ E estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1)(A), all claims for reimbursement of initial fiscal year costs shall be submitted to the State Controller within 120 days of the issuance date for the claiming instructions.

If the total costs for a given fiscal year do not exceed \$1,000 ~~\$200~~, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

#### **V. IV. REIMBURSABLE ACTIVITIES 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, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. 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.

For each eligible claimant, the following activities are reimbursable:

#### A. Scope of Mandate

~~School districts shall be reimbursed for the costs incurred for the principal or the principal's designee to report to appropriate law enforcement authorities in the county or city in which the school is located the following: any acts of a student that may involve the possession or sale of narcotics or of a controlled substance, or which may violate Penal Code sections 626.9 or 626.10.~~

#### B. Reimbursable Activities

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

##### 1. Preparing and Filing a Report

Preparation of a report to the appropriate law enforcement authorities of any acts of a student that may involve the possession or sale of narcotics or of a controlled substance, or which may violate Penal Code sections 626.9 or 626.10, and filing the report with the appropriate law enforcement authorities.

##### 2. Maintaining a Record of Reports Filed

Maintaining copies of the reports filed with the appropriate law enforcement agency.

### **VI V. CLAIM PREPARATION AND SUBMISSION**

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV. Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, eEach reimbursement claim for reimbursement pursuant to this mandate

must be timely filed in a timely manner and provide documentation in support of the reimbursement claimed for this mandate.

#### A. Direct Cost Reporting ~~By Components~~

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

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

#### ~~Supporting Documentation~~

~~Claimed costs should be supported by the following information:—~~

##### 1. ~~Employee~~ Salaries and Benefits

Report each ~~Identify the~~ employee(s) implementing the reimbursable activities by name, and the employee(s) job classification, and productive hourly rate (total wages and related benefits divided by productive hours). ~~Describe the~~ specific reimbursable activities mandated functions performed, and specify the actual number of hours devoted to each reimbursable activity performed 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~~ Report ~~the cost of materials and supplies that which~~ have been consumed or expended specifically for the purpose of the reimbursable activities this mandate.

##### ~~2.3.~~ Contracted Services

Report ~~Give the name(s) of the contractor(s) and who performed the service(s) to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report~~ Describe the activities performed by each named contractor, and give the number of actual hours spent on the activities and all costs charged. If the contract is a fixed price, report ~~Show the inclusive~~ dates when services were performed and itemize all costs for those services.

##### ~~3.4.~~ Fixed Assets and Equipment ~~Allowable Overhead Cost~~

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata

portion of the purchase price used to implement the reimbursable activities can be claimed.

## 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

## B. Indirect Cost Rates

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

~~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 Statistics~~

~~The State Controller is directed to include in its claiming instructions each year the requirement that claimants report to the State Controller the number of reports filed with the appropriate law enforcement agencies for the purpose of establishing a database for potential future reimbursement based on prospective rates.~~

## **VI. 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<sup>2</sup> 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

<sup>2</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

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 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.

#### VII. Supporting Data

~~For auditing purposes, all costs claimed must be traceable to source documents and/or worksheets that show evidence of the validity of claimed costs, from the date of initial payment of the claim. Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district is subject to audit by the State Controller no later than two years after the end of the calendar year in which the reimbursement claim is filed or last amended. However, if no funds are appropriated for the program for the fiscal year for which the claim is made, the time for the State Controller to initiate an audit shall commence to run from the date of initial payment of the claim.~~

#### VIII. ~~VII.~~ OFFSETTING REVENUES AND OTHER REIMBURSEMENTS

Any offsets the claimant experiences in the same program as a direct result of the same subject statutes or executive orders found to contain the mandate shall ~~must~~ be deducted from the costs claimed. In addition, reimbursements for this the subject state mandates received from any source, including but not limited to services fees collected, e.g., federal funds, and other state funds, etc., shall be identified and deducted from this claim.

#### IX. ~~VIII.~~ STATE CONTROLLER'S CLAIMING INSTRUCTIONS Office Required Certification

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

Pursuant to Government Code section 17558, subdivision (b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

#### IX. REMEDIES BEFORE THE COMMISSION

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

**X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES**

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.



## PROPOSED CONSOLIDATED PARAMETERS AND GUIDELINES

Education Code Section 48902, Subdivision (c)  
Chapter 1117, Statutes of 1989

*Law Enforcement Agency Notifications*  
CSM 4505

(04-PGA-03)

AND

Education Code Sections 38139, Subdivisions (a) and (b) and  
49068.6, Subdivisions (b) and (d)

Statutes of 1986, Chapter 249

Statutes of 1999, Chapter 832

*Missing Children Reports*  
01-TC-09

**Effective July 1, 2007 and Subsequent Years**

### I. SUMMARY OF THE MANDATES

#### Law Enforcement Agency Notification Program

The test claim statutes require school authorities to notify the appropriate law enforcement agency of any acts of a pupil that may involve the possession or sale of narcotics or of a controlled substance or a violation of Penal Code sections 626.9 and 626.10.<sup>1</sup>

On October 31, 1996, the Commission on State Mandates (Commission) adopted the Statement of Decision for the *Law Enforcement Agency Notification* program (CSM 4505). The Commission found that Education Code section 48902, subdivision c constitutes a new program or higher level of service and imposes a reimbursable state-mandated program on school districts within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514. Accordingly, the Commission approved this test claim for the following reimbursable activities:

- Notify the appropriate law enforcement agency of any acts of a pupil that may involve the possession or sale of narcotics or of a controlled substance or a violation of Penal Code sections 626.9 and 626.10.

---

<sup>1</sup> Penal Code section 626.9, known as the Gun-Free School Zone Act, makes it a crime, with certain exceptions, for a person to possess or to discharge a firearm in a school zone. Penal Code section 626.10 makes it a public offense, with certain exceptions, for a person to bring or possess any dirk, dagger, ice pick, knife unguarded razor blade, taser, stun gun, BB gun, pellet gun or spot marker gun upon school grounds.

### Missing Children Reports Program

The test claim statutes impose numerous requirements on school districts for posting missing children bulletins, and notifying law enforcement agencies and parents of certain information about missing children.

On January 27, 2005, the Commission adopted the Statement of Decision for *Missing Children Reports* (01-TC-09). The Commission found that Education Code Sections 38139, subdivisions (a) and (b), and 49068.6, subdivisions (b) and (d), constitute a new program or higher level of service and impose a reimbursable state-mandated program on school districts within the meaning of article XIII B, section 6, of the California Constitution and Government Code section 17514. Accordingly, the Commission approved this test claim for the following reimbursable activities:

- For public primary and secondary schools to post information regarding missing children in appropriate areas (§ 38139, subs. (a) & (b)).
- For schools notified of a missing child to post a notice that the child has been reported missing on the front of the missing child's school record. (§ 49068.6, subd. (b)).
- For schools to notify law enforcement if the school receives a record inquiry about a missing child. (§ 49068.6, subd. (d)).

The Commission found that all other statutes and executive orders in the test claim are not reimbursable state-mandated programs within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514.

## **II. ELIGIBLE CLAIMANTS**

Any school district or county office of education that incurs increased costs as a direct result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

## **III. PERIOD OF REIMBURSEMENT**

These consolidated parameters and guidelines are effective beginning on July 1, 2007.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1)(A), all claims for reimbursement of initial fiscal year costs shall be submitted to the State Controller within 120 days of the issuance date for the claiming instructions.

If the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

There shall be no reimbursement for any period in which the Legislature has suspended the operation of a mandate pursuant to state law.

## **IV. 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, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. 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.

For each eligible claimant, the following activities are reimbursable:

#### Law Enforcement Agency Notification Program

##### A On-Going Activities:

###### 1. Preparing and Filing a Report (Ed. Code, § 48902, subd. (c))

Preparation of a report to the appropriate law enforcement authorities of any acts of a student that may involve the possession or sale of narcotics or of a controlled substance, or which may violate Penal Code sections 626.9 or 626.10, and filing the report with the appropriate law enforcement authorities.

###### 2. Maintaining a Record of Reports Filed

Maintaining copies of the reports filed with the appropriate law enforcement agency.

#### Missing Children Reports Program

##### A. On-going Activities:

###### 1. Posting Notices (Ed. Code § 38139, subd. (a) and (b))

Posting at an appropriate area (one restricted to adults for primary schools) all information regarding missing children.

###### 2. Filing Law Enforcement Agency Notices (Ed. Code § 49068.6, subd. (b))

Placing the notice received from law enforcement agencies of a missing child in the front of the student's school record.

###### 3. Report of Record Request (Ed. Code § 49068.6, subd. (d))

Notifying law enforcement authorities when the school receives an outside student record inquiry or request regarding a missing child.

## **V. CLAIM PREPARATION AND SUBMISSION**

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must

be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

#### A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

##### 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

##### 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

##### 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

##### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

##### 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

#### B. Indirect Cost Rates

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.

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

## **VI. 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<sup>2</sup> 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 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.

## **VII. OFFSETTING REVENUES AND OTHER REIMBURSEMENTS**

Any offsets the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source, including but not limited to, service fees collected, federal funds, and other state funds, shall be identified and deducted from this claim.

## **VIII. STATE CONTROLLER'S CLAIMING INSTRUCTIONS**

Pursuant to Government Code section 17558, subdivision (b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

## **IX. REMEDIES BEFORE THE COMMISSION**

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the

---

<sup>2</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

#### **X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES**

The Statements of Decision are legally binding on all parties and provide the legal and factual basis for the consolidated parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claims. The administrative record, including the Statements of Decision, is on file with the Commission.