

COMMISSION ON STATE MANDATES

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August 23, 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**
Health Fee Elimination, 07-4206-I-14
Education Code Section 76355;
Statutes 1984, 2nd E.S., Chapter 1; Statutes 1987, Chapter 1118
Fiscal Years 2002-2003 and 2003-2004
Pasadena Area Community College District, Claimant

Dear Mr. Petersen and Ms. Brummels:

On August 14, 2007, the Pasadena Area Community College District filed an incorrect reduction claim (IRC) with the Commission on State Mandates (Commission) based on the *Health Fee Elimination* program for fiscal years 2002-2003 and 2003-2004. Commission staff determined that the IRC filing is complete.

Government Code section 17551, subdivision (b), requires the Commission to hear and decide upon claims filed by local agencies and school districts that the State Controller's Office (SCO) has incorrectly reduced payments to the local agencies or school districts.

SCO Review and Response. Please file the SCO response and supporting documentation regarding this claim within 90 days of the date of this letter. Please include an explanation of the reason(s) for the reductions and the computation of reimbursements. All documentary evidence must be authenticated by declarations under penalty of perjury signed by persons who are authorized and competent to do so and be based on the declarant's personal knowledge, information or belief. The Commission's regulations also require that the responses (opposition or recommendation) filed with the Commission be simultaneously served on the claimants and their designated representatives, and accompanied by a proof of service (Cal. Code Regs., tit. 2, § 1185.01).

The failure of the SCO to respond within this 90-day timeline shall not cause the Commission to delay consideration of this IRC.

Claimant's Rebuttal. Upon receipt of the SCO response, the claimant and interested parties may file rebuttals. The rebuttals are due 30 days from the service date of the response.

Prehearing Conference. A prehearing conference will be scheduled if requested.

Public Hearing and Staff Analysis. The public hearing on this claim will be scheduled after the record closes. A staff analysis will be issued on the IRC at least eight weeks prior to the public hearing.

Dismissal of Incorrect Reduction Claims. Under section 1188.31 of the Commission's regulations, IRCs may be dismissed if postponed or placed on inactive status by the claimant for more than one year. Prior to dismissing a claim, the Commission will provide 60 days notice and opportunity for the claimant to be heard on the proposed dismissal.

Please contact Victoria Soriano at (916) 323-8213 if you have any questions.

Sincerely,



NANCY PATTON
Assistant Executive Director

cc: Kindred Murillo, Vice-President, Administrative Services
Enclosure: Incorrect Reduction Claim Filing - (SCO only)

J:mandates/IRC/2007/4206-I-14/completeltr

MAILED: _____
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