



JOHN CHIANG
California State Controller

September 2, 2011

Paula Higashi, Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Keith Petersen
SixTen and Associates
P.O. Box 340430
Sacramento, CA 95834-0430

Re: Consolidated Incorrect Reduction Claims

Health Fee Elimination (09-4206-I-19, 09-4206-I-20, 09-4206-I-23, 09-4206-I-26,
09-4206-I-27, 09-4206-I-28, and 09-4206-I-30)

Education Code Section 76355

Statutes 1984, 2nd E.S., Chapter 1; Statutes 1987, Chapter 1118

Claimants:

Citrus Community College District (FYs 2002-03 to 2006-07)

Cerritos Community College District (FYs 2002-03 to 2006-07)

Los Rios Community College District (FYs 2005-06 to 2007-08)

Redwood Community College District (FYs 2002-03 to 2008-09)

Allan Hancock Joint Community College District (FYs 2002-03 to 2006-07)

Rancho Santiago Community College District (FYs 2005-06 to 2008-09)

Pasadena Community College District (FYs 2004-05 and 2005-06)

This letter constitutes the Controller's response to the Draft Staff Analysis (DSA) of the Consolidated IRCs identified above. The Controller's Office agrees with the conclusions in the DSA concerning the issues of law, but believes there are two factual errors that need to be addressed.

In the case of Citrus Community College District, a document from El Camino Community College was erroneously included in the IRC package, making it appear as though physical examinations were provided to athletes in FY 2002-03, when they were not (Tab 3 of Audits Response). In addition, the DSA concludes that physical exams for athletes claimed by Rancho Santiago Community College District for fiscal years 2007-08 and 2008-09 were reimbursable. However, Rancho Santiago did not provide physical

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exams to its student athletes in the 1986-87 base year (see Tab 4), a prerequisite to reimbursability, as set forth in the Parameters & Guidelines. Therefore, the costs associated with such exams should not be reimbursable.

For a more detailed analysis of the claims, see the State Controller's Office, Division of Audits response (attached).

Sincerely,



SHAWN D. SILVA
Senior Staff Counsel

SDS/ac

Attachment

cc: Jim Spano, Division of Audits, State Controller's Office (w/o attachments)
Berlanti Rizkallah, Cerritos CCD
Jon Sharpe, Los Rios CCD
Richard Van Pelt, Pasadena Area CCD
Peter Hardash, Rancho Santiago CCD