



June 14, 2019

Ms. Annette Chinn
Cost Recovery Systems, Inc.
705-2 East Bidwell Street, #294
Folsom, CA 95630

Ms. Laura Rocha
City of San Marcos
1 Civic Center Drive
San Marcos, CA 92069-1699

Ms. Natalie Sidarous
State Controller's Office
Local Government Programs
and Services Division
3301 C Street, Suite 740
Sacramento, CA 95816

And Parties, Interested Parties, and Interested Persons (See Mailing List)

Re: Second Notice of Complete Incorrect Reduction Claim, Schedule for Comments, and Notice of Tentative Hearing Date

Crime Statistics Reports for the Department of Justice (DOJ), 17-0240-I-01
Penal Code Sections 12025(h)(1), (h)(3), 12031(m)(1), (m)(3), 13014, 13023, and 13730(a); Statutes 1989, Chapter 1172 (SB 202); Statutes 1992, Chapter 1338 (SB 1184); Statutes 1993, Chapter 1230 (AB 2250); Statutes 1998, Chapter 933 (AB 1999); Statutes 1999, Chapter 571 (AB 491); Statutes 2000, Chapter 626 (AB 715)
Penal Code Section 13023; Statutes 2004, Chapter 700 (SB 1234).
Fiscal Years: 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011
City of San Marcos, Claimant

Dear Ms. Chinn, Ms. Rocha, and Ms. Sidarous:

On August 22, 2017, the City of San Marcos filed an incorrect reduction claim (IRC) with the Commission on State Mandates (Commission) based on the State Controller's (Controller's) reductions to its reimbursement claims for costs incurred under the *Crime Statistics Reports for the DOJ* program for fiscal years 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2007-2008, 2008-2009, 2009-2010, 2010-2011, and 2011-2012. Upon review, Commission staff found the IRC to be incomplete.

On October 11, 2017, after the claimant cured the IRC, Commission staff determined the IRC to be complete and therefore it retained the original filing date of August 22, 2017, in accordance with section 1185.2(a) of the Commission's regulations (California Code of Regulations, Title 2) and was issued for comment.

Upon initial legal review, however, Commission staff determined that copies of some of the subject reimbursement claims were not included in the filing in *Section 11. REIMBURSEMENT CLAIMS*, as required. Specifically, copies of the claims filed for fiscal years 2010-2011 and 2011-2012 were missing from the filing.

In addition, in *Section 5. Amount of Incorrect Reduction* of the IRC form, fiscal year 2006-2007 is omitted from the box, although fiscal year 2006-2007 is included in the Narrative and copies of the reimbursement claims for fiscal year 2006-2007 are provided and the total amount reduced in the audit is included in the box for Section 5. On June 5, 2019, Commission staff notified the claimant of the problems with the filing.

On June 13, 2019, the claimant cured the IRC by filing a corrected page 1 of the claim form and copies of the reimbursement claims filed for fiscal years 2010-2011 and 2011-2012. Upon

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review, Commission staff has determined that the IRC is complete and therefore retains the original filing date of August 22, 2017, in accordance with section 1185.2(a) of the Commission's regulations (California Code of Regulations, Title 2).

Government Code section 17551(d) requires the Commission to hear and decide claims by local agencies and school districts that the Controller has incorrectly reduced payments to the local agencies or school districts.

Controller's Review and Response. Please file the Controller's written comments and supporting documentation regarding this claim no later than **July 15, 2019** in accordance with sections 1185.2 and 1187.5 of the Commission's regulations. Oral or written representations of fact offered by any person shall be under oath or affirmation and signed under penalty of perjury by persons who are authorized and competent to do so and must be based on the declarant's personal knowledge, information or belief. (Cal. Code. Regs., tit. 2 §§ 1185.2 and 1187.5.) The Commission's ultimate findings of fact must be supported by substantial evidence in the record.¹ Hearsay evidence (such as declarations not based on personal knowledge but information and belief alone) may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions.² Please include an explanation of the reasons for the reductions and the computation of reimbursements.

The failure of the Controller to respond within this 90-day timeline shall not cause the Commission to delay consideration of this IRC. (Gov. Code §17553(d))

Claimant's Rebuttal. Upon receipt of the Controller's comments, the claimant and interested parties may file rebuttals. The rebuttals are due 30 days from the service date of the comments (Cal. Code. Regs., tit. 2 § 1185.2.) Oral or written representations of fact offered by any person shall be under oath or affirmation and signed under penalty of perjury by persons who are authorized and competent to do so and must be based on the declarant's personal knowledge, information or belief. (Cal. Code. Regs., tit. 2 §§ 1183.3 and 1187.5.) If new written representations of fact are made, they must be supported with documentary evidence submitted with the rebuttal. (Cal. Code. Regs., tit. 2 §§ 1185.2 and 1187.5.) The Commission's ultimate findings of fact must be supported by substantial evidence in the record.³ Hearsay evidence (such as declarations not based on personal knowledge but information and belief alone) may be

¹ Government Code section 17559(b), which provides that a claimant or the state may commence a proceeding in accordance with the provisions of section 1094.5 of the Code of Civil Procedure to set aside a decision of the Commission on the ground that the Commission's decision is not supported by substantial evidence in the record.

² Title 2, California Code of Regulations, section 1187.5.

³ Government Code section 17559(b), which provides that a claimant or the state may commence a proceeding in accordance with the provisions of section 1094.5 of the Code of Civil Procedure to set aside a decision of the Commission on the ground that the Commission's decision is not supported by substantial evidence in the record.

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used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions.⁴

Filing Written Materials. All written representations of fact made to the Commission are required to be supported by documentary or testimonial evidence submitted under penalty of perjury. (Cal. Code Regs., tit. 2, 1187.5.)

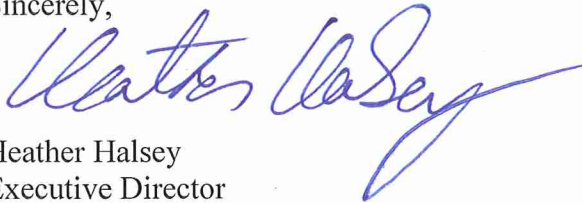
The Commission's regulations require that written materials filed with the Commission be simultaneously served on all parties, interested parties, and interested persons on the mailing list, and accompanied by a proof of service. (Cal. Code Regs., tit. 2, 1181.3) However, this requirement may be satisfied by electronically filing your documents via the Commission's e-filing system. Please see <https://www.csm.ca.gov/dropbox.php> on the Commission's website. The written material will be posted on the Commission's website and the mailing list will be notified by electronic mail of the posting. This procedure will satisfy all the service requirements pursuant to section 1181.3 of the Commission's regulations.

If you would like to request an extension of time, please refer to section 1187.9(a) of the Commission's regulations.

Informal Conference. An informal conference may be scheduled if requested. Refer to section 1187.4 of the Commission's regulations.

Public Hearing and Draft Proposed Decision. The public hearing on this claim has been tentatively scheduled for **May 22, 2020**. The Draft Proposed Decision will be issued for comment at least eight weeks prior to the public hearing.

Sincerely,



Heather Halsey
Executive Director

⁴ Title 2, California Code of Regulations, section 1187.5.

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Sacramento and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

On June 14, 2019, I served the:

- **Second Notice of Complete Incorrect Reduction Claim, Schedule for Comments, and Notice of Tentative Hearing Date issued June 14, 2019**
- **Incorrect Reduction Claim (IRC) filed by City of San Marcos (Claimant) on August 22, 2017 revised on June 13, 2019**

Crime Statistics Reports for the Department of Justice (DOJ), 17-0240-I-01
Penal Code Sections 12025(h)(1), (h)(3), 12031(m)(1), (m)(3), 13014, 13023, and 13730(a); Statutes 1989, Chapter 1172 (SB 202); Statutes 1992, Chapter 1338 (SB 1184); Statutes 1993, Chapter 1230 (AB 2250); Statutes 1998, Chapter 933 (AB 1999); Statutes 1999, Chapter 571 (AB 491); Statutes 2000, Chapter 626 (AB 715)
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Fiscal Years: 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011

by making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on June 14, 2019 at Sacramento, California.



Jill L. Magee
Commission on State Mandates
980 Ninth Street, Suite 300
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COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 6/14/19

Claim Number: 17-0240-I-01

Matter: Crime Statistics Reports for the Department of Justice

Claimant: City of San Marcos

TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.3.)

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