

**Education Audit Appeals Panel
State of California**

Appeal of Fiscal Year 2002-03
Audit Finding 03-4 by:

Brentwood Union School District,

Appellant.

EAAP Case No. 04-17

OAH No. N2005110413

Decision

The Education Audit Appeals Panel has adopted the attached Stipulation and Proposed Decision of the parties as its Decision in the above-entitled matter.

Effective date: June 27, 2006.

IT IS SO ORDERED.

June 27, 2006
Date

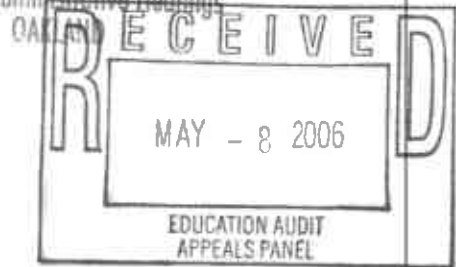
(Original Signed)
Thomas E. Dithridge, Chairperson
for Education Audit Appeals Panel

1 Richard J. Chivaro, State Bar Number 124391
2 Kelly W. Ching, State Bar Number 164201
3 **OFFICE OF THE STATE CONTROLLER**
4 300 Capitol Mall, Suite 1850
5 Sacramento, CA 95814
6 Telephone: (916) 322-5369
7 Facsimile: (916) 322-1220

8 Attorneys for Respondent,
9 STEVE WESTLY, California State Controller

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Office of Administrative Hearings



10 BEFORE THE
11 EDUCATION AUDIT APPEALS PANEL
12 STATE OF CALIFORNIA

13 In the Matter of the Formal Appeal of:

14 BRENTWOOD UNION SCHOOL
15 DISTRICT,

16 Appellant.

EAAP Case No. 04-17
OAH No. N2005110413

**STIPULATION AND PROPOSED
DECISION**

17 All of the parties to this action hereby agree to enter into the following stipulation,
18 resulting in complete resolution of this matter. Accordingly, the State Controller's Office
19 ("SCO"), the Department of Finance ("DOF"), and the Brentwood Union School District
20 ("Brentwood" or "District") hereby agree as follows:

21 RECITALS

22 A. The independent auditing firm hired by the District, Stephen Roatch
23 Accountancy Corporation ("Roatch"), conducted an audit of the District for the 2002-03 school
24 year.

25 B. As set forth in audit finding 03-4/10000, found at pages 90 and 91 of Roatch's
26 Audit Report, dated June 30, 2003, one middle school teacher who taught during the 2002-03
27 school year did not possess a valid certification document for that year, in violation of
28 Education Code section 46300(a).

1 C. The above-referenced audit finding states that the questioned cost for fiscal year
2 2002-03 is \$49,684, as a penalty for employing a person without valid certification as a teacher,
3 calculated pursuant to Education Code section 45037.

4 D. It was discovered that the middle school teacher who taught without a valid
5 certification document during the 2002-03 school year taught in Brentwood without a valid
6 certification document from 1986, with some breaks in service, until the teacher's removal from
7 the classroom and subsequent resignation in 2003.

8 E. The school district has stated that the noncompliant audit finding being appealed
9 is "due to an inadvertent single incident where a teacher willfully falsified documents submitted
10 to the district." Brentwood stated in its letter of appeal that following the audit finding at issue,
11 "each and every certificated employee in our district had his/her credentials re-verified on the
12 [California Commission on Teacher Credentialing] website. The validity of all credentials for
13 all certificated employees was verified." Brentwood further stated that it now "has solid
14 procedures in place to verify proper certification" as required by Education Code section
15 46300(a).

16 F. Brentwood timely submitted a letter of formal appeal of finding 03-4/10000 on
17 November 8, 2005.

18 G. On December 2, 2005, the California Department of Finance, through its
19 attorney Deputy Attorney General George Prince, filed a motion to intervene in the above-
20 referenced matter. The Office of Administrative Hearings (OAH) granted the Motion to
21 Intervene on December 9, 2005.

22 H. On December 5, 2005, the Education Audit Appeals Panel (EAAP) filed and
23 served on the parties a Notice of Hearing. The hearing was originally scheduled for January 30,
24 2006. However, on December 16, 2005, Brentwood filed a Request for Continuance, which the
25 OAH granted by letter dated December 19, 2005. The evidentiary hearing was then scheduled
26 to take place on March 20, 2006.

27 I. By letter dated March 6, 2006, the SCO requested that the OAH take the hearing
28 off calendar because all parties had signed a settlement agreement intended to constitute a

1 complete resolution of the matter at issue. The OAH vacated the hearing date, and a hearing in
2 the matter is no longer scheduled.

3 AGREEMENT

4 1. To effect a stipulated resolution of this action and to prevent the uncertainty and
5 cost of further litigation, the parties agree to the following:

- 6 A. Brentwood acknowledges that audit finding 03-4/10000 is correct, and
7 agrees to pay \$49,684, the penalty for failure to comply with Education
8 Code section 45037 with respect to the 2002-03 fiscal year.
- 9 B. Although the parties acknowledge that the teacher whose actions resulted
10 in the audit finding at issue taught in Brentwood without proper
11 certification for periods in addition to the 2002-03 fiscal year, the parties
12 agree that the SCO and the DOF will not seek penalties from Brentwood
13 for periods prior to the 2002-03 fiscal year concerning the same teacher.
- 14 C. Brentwood agrees to withdraw, with prejudice, its appeal in EAAP case
15 number 04-17, Office of Administrative Hearings case number
16 N2005110413.

17 OFFICE OF THE STATE CONTROLLER

18 Dated: 4/24/06

19 By: *(Original Signed)*
20 KELLY W. CHING
21 Attorney for Respondent STEVE WESTLY,
California State Controller

22 DEPARTMENT OF FINANCE

23 Dated: 4/19/06

24 By: *(Original Signed)*
25 GEORGE PRINCE
26 Deputy Attorney General
27 Attorney for Department of Finance
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BRENTWOOD UNION SCHOOL DISTRICT

Dated: 4/10/06

By: *(Original Signed)*
SCOTT ANDERSON
Chief Business Official
Brentwood Union School District