

**Education Audit Appeals Panel
State of California**

Appeal of prior year adjustment(s) for redevelopment agency (RDA) pass-through payment(s) for fiscal year(s) 2003-04, 2004-05, 2005-06, 2006-07, and 2007-08 by:

Culver City Unified School District,
Appellant.

EAAP Case No. R09-84

OAH No. 2010031429

Decision

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

Effective date: January 12, 2011.

IT IS SO ORDERED.

January 12, 2011
Date

Original Signed
Diana L. Ducay, Chairperson
for Education Audit Appeals Panel

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CULVER CITY UNIFIED SCHOOL DISTRICT

8 **BEFORE THE EDUCATION AUDIT APPEALS PANEL**

9 **STATE OF CALIFORNIA**

11 In the Matter of the Appeal of Prior Year
Adjustments for Redevelopment Agency
12 (RDA) Pass-through Payment(s) for Fiscal
Year(s) 2003-04, 2004-05, 2005-06, 2006-07,
13 2007-08 by:

14 CULVER CITY UNIFIED SCHOOL
DISTRICT,

16 Appellant.

CASE NO. R09-84
OAH No. 2010031429

STIPULATED AGREEMENT

18 The STATE CONTROLLER'S OFFICE ("SCO"), the DEPARTMENT OF FINANCE
19 ("Finance"), and the CULVER CITY UNIFIED SCHOOL DISTRICT ("District") (collectively,
20 "Parties") hereby enter into this Stipulated Agreement ("Agreement") to resolve Education Audit
21 Appeals Panel ("EAAP") Case No. R09-84, currently pending before EAAP.

22 **RECITALS**

23 A. On October 1, 2009, California Department of Education ("CDE") notified the
24 District that, due to the District's under-reporting of redevelopment pass-through payments
25 received between Fiscal Year ("FY") 2003-04 and FY 2007-08, CDE was reducing the District's
26 Total Principal Apportionment by \$214,865.00 for FY 2009 - 2010.

27 B. On December 1, 2009, the District sent a written request for a formal appeal to
28 EAAP pursuant to Education Code section 41344. The District stated that it was substantially in

1 compliance with its reporting of redevelopment pass-through payments and, therefore, only
2 \$28,212.00 should be deducted from the District's next Total Principal Apportionment.

3 C. On further review of the issues, the Parties determined that calculation of the
4 discrepancy between the District's reporting of pass-through payments and the amount reported by
5 the SCO was incorrect due to late pass-through payments by the Culver City Redevelopment
6 Agency ("RDA").

7 D. After reviewing the District's Appeal documentation and performing its own
8 calculation to account for the late RDA payments, the SCO found that the District's Principal
9 Apportionment should be reduced no more than \$29,923.30.

10 E. In order to avoid the time and expense of ongoing litigation between the Parties,
11 the Parties have agreed to enter into this Agreement.

12 **AGREEMENT**

13 A. In light of recent discussions between the Parties and in resolution of the District's
14 Appeal, the Parties agree to allow CDE to reduce the District's next Total Principal
15 Apportionment by **\$29,923.30**, and not the \$214,865.00 as initially stated in CDE's October 1,
16 2009 letter.

17 B. Finance has consulted with CDE regarding the revised deduction to the District's
18 Total Principal Apportionment, and Finance will continue to consult with CDE, including
19 providing CDE with the final terms of this Agreement.

20 C. The Parties further agree that this Agreement constitutes a full and final resolution
21 of all claims and issues arising from the Appeal. This Agreement includes pass through payments
22 received through the end of Fiscal Year 2007 – 2008, and does not include pass through payments
23 received thereafter.

24 D. The SCO will review the amounts reported to the CDE pursuant to Health and
25 Safety Code section 33684, subd.(g)(2), and ensure that the adjustment made pursuant to this
26 Agreement is reflected as appropriate in Fiscal Year 2008 - 2009.

27 E. This Agreement is subject to and conditioned upon approval and adoption by
28 EAAP, pursuant to Education Code section 41344.1, subdivision (b). This Agreement shall be

1 filed with OAH.

2 F. This Agreement may be executed in counterparts, each of which shall constitute an
3 original. Facsimile signatures transmitted to other parties to this Agreement are deemed to be the
4 equivalent of original signatures or counterparts.

5 The Parties ratify the preceding terms and conditions through the signature of their
6 representatives as follows:

8 DATED: December 15, 2010 CULVER CITY UNIFIED SCHOOL DISTRICT

10 By: Original Signed
11 Ali Delawalla
12 Assistant Superintendent, Business Services
13 CULVER CITY UNIFIED SCHOOL DISTRICT

13 DATED: December 9, 2010 FAGEN FRIEDMAN & FULFROST, LLP

15 By: Original Signed
16 Peter K. Fagen
17 Attorneys for Appellant CULVER CITY
18 UNIFIED SCHOOL DISTRICT

18 DATED: December 1, 2010 OFFICE OF THE STATE CONTROLLER

20 By: Original Signed
21 David I. Brownfield
22 Attorneys for Respondent, JOHN CHIANG,
23 CALIFORNIA STATE CONTROLLER

23 DATED: December 1, 2010 OFFICE OF THE ATTORNEY GENERAL,
24 CALIFORNIA DEPARTMENT OF JUSTICE

25 By: Original Signed
26 S. Paul Bruguera, Deputy Attorney General
27 Attorneys for Intervenor, CALIFORNIA
28 DEPARTMENT OF FINANCE

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