

**Minutes of the
Education Audit Appeals Panel**
Monday, March 28, 2016
915 L Street, Cedar Room
Sacramento

Call to Order and Roll Call

Chair David Botelho called the meeting to order at 1:29 p.m.

Panel members present: David Botelho, designee of the Director of the Department of Finance; and Joel Montero, Chief Executive Officer of the Fiscal Crisis and Management Assistance Team.

Panel member absent: Nick Schweizer, designee of the Superintendent of Public Instruction.

Review of Agenda

Mr. Botelho read out the agenda items.

Approval of Minutes

Action: The Panel members unanimously approved the minutes of the January 25, 2016 meeting.

Item 1	Report of the Executive Officer <ol style="list-style-type: none">1. Summary of appeal activities2. Apportionment significant findings: audit reports and RDAs3. Other items of interest	Information
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Executive Officer Mary Kelly welcomed Martin Vazquez to his first meeting. Martin joined us in March as a Staff Services Analyst and was previously an Office Tech at the Department of State Hospitals in Vacaville. Martin has been busy with hands on and office training in FISCAL, purchasing and rulemaking activities.

Ms. Kelly also reported that since the last meeting, five new summary review requests were filed and there no determinations made on any of those. Ms. Kelly also stated a few additional summary requests were filed, but they were prematurely filed.

She stated that there was one formal appeal filed since the last meeting (Shasta Union). Hart-Ransom Union SD withdrew their appeal since last meeting.

Mr. Morgan inform of a settlement stipulation that arrived six days ago, so it could not be added it to the agenda in time.

Item 2	<p>Public Participation</p> <p>This time is reserved for any person to address the Panel. If the subject is on the Public Session Agenda, individuals may comment now or at the time the item is considered. If the subject is not on the Public Session Agenda, the Panel is not empowered to take action on it. Public comment is limited to 3 minutes per speaker; the Panel may extend the limit by a uniform amount per speaker.</p> <p>No comment will be taken on matters at issue in items on the Closed Session Agenda, or on any pending adjudicatory proceeding.</p>	Information
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There were no comments from the public.

Item 3	<p>Legislation Report</p> <p>Discussion and action as appropriate regarding any legislation that may affect EAAP</p>	Information Action
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Ms. Kelly reported that there was no legislation to discuss.

Item 4	<p><i>Emergency Regulations: 2016-17 Audit Guide</i></p> <p>Annual update of the audit guide based on proposals from the State Controller's Office.</p>	Information Action
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Item 5	<p>Notice of Proposed Rulemaking:</p> <p><i>Permanent Regulations: 2016-17 Audit Guide</i></p>	Information Action
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Ms. Kelly stated that the text of the proposed of emergency and permanent regulations is identical and should be discussed together.

Ms. Kelly informed that traditionally the Panel takes action to adopt the Emergency Regulations and approve the initiation of the rule making process and we go forward with the Emergency rules making process right away and then on Permanent. Since the emergency regulation process is so quick and the changes are not that extensive we think we could move forward with Permanent Regulations and see if we could not do the Emergency Regulations. It depends on public comment, if it occurs we could move forward with the Emergency Regulations.

Ms. Kelly discussed the following changes:

- *Section R Educator Effectiveness*. Procedure 1 is amended to confirm whether the LEA developed and a plan in 2015-16 or 20-17. Also changes were made throughout to change the reverence to Assembly Bill 104, based on Mr. Morgan's research of statue citation.
- *Section W Unduplicated Local Control Funding Formula Pupil Counts* was revised to allow the auditor to select another student to eliminate the complexity of, obtaining supporting documentation from the LEA the student transferred to.

- *Section Z Immunizations.* For measles testing, the step were revised to test for either a current medical exemption or personal beliefs exemption filed prior to January 1, 2016. The T-dap testing was revised to delete personal beliefs due to SB 277.

The Panel adopted the proposed Emergency Rule Making Regulations and approved the initiation of Rule Making Process.

Item 6	Annual Review of Delegations Review existing delegations and revise/supplement as necessary.	Information Action
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Ms. Kelly informed that annual review of delegations of authority had been conducted. Two delegations have been revised to remove Chris' name and add Martin's name.

Mr. Botelho signed the Delegation of Authority for Goods and Services Contracting and the Delegation of Authority for Interagency Agreements.

Item 7	Next Meeting April 25, 2016	Information Action
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The Public Session recessed at 1:44 p.m.

Closed Session

The Panel met in Closed Session from approximately 1:44 p.m. until 2:00 p.m.

Call to Order: Public Session

Mr. Botelho recalled the Public Session to order at 2:00 p.m.

Closed Session Report:

Mr. Botelho informed there was nothing to report.

Adjournment

Mr. Botelho adjourned the meeting at 2:00 p.m.