

**Education Audit Appeals Panel
State of California**

Appeal of 2006-07 Audit Finding 2007-5
by:

Plumas Lake Elementary School
District,

Appellant.

EAAP Case No. 08-20

OAH No. 2010120808

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: 7/23/2012.

IT IS SO ORDERED.

7/23/2012

Date

Original signed

Diana L. Ducay, Chairperson
for Education Audit Appeals Panel

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7 **BEFORE THE EDUCATION AUDIT APPEALS PANEL**
8 **FOR THE STATE OF CALIFORNIA**

9 In the Matter of the Audit Appeal of:) EAAP Case No. 08-20
2006-2007 Audit Finding 2007-5 by:) OAH Case No. 2010120808
11 PLUMAS LAKE ELEMENTARY SCHOOL) **STIPULATED AGREEMENT**
12 DISTRICT,)
13 Appellant.)

16 Appellant PLUMAS LAKE ELEMENTARY SCHOOL DISTRICT (Appellant),
17 Respondent JOHN CHIANG, California State Controller (SCO), and Respondent
18 DEPARTMENT OF FINANCE (Finance) (collectively known as "the Parties") agree to a
19 complete resolution of the above-captioned matter as follows:

20 RECITALS

21 A. The independent accounting firm of Robertson, Cahill & Associates (Auditor)
22 conducted an audit of the Appellant for the 2006-07 school year, the results of which were
23 included in the audit report issued on or about March 31, 2008.

24 B. In Audit Finding 2007-5, the Auditor determined that the Appellant failed to
25 comply with various required elements in connection with its Plumas Lake Charter School
26 Independent Study Program, which resulted in an \$186,511.02 (28.87 ADA) overpayment in the
27 amount of apportionment the Appellant claimed from the State.

28 C. The SCO certified the audit.

1 D. Appellant's charter school closed in 2010.

2 E. Appellant then timely filed a request for formal appeal instituting this action
3 pursuant to Education Code section 41344(d).

4 F. Finance intervened as a Respondent pursuant to Education Code section
5 41344.1(b).

6 G. On August 25, 2011, and February 7, 2012, the Appellant, at the request of the
7 Respondents, submitted additional documentation supporting its position.

8 H. In order to avoid the cost and uncertainty of litigation, the parties to this case
9 agree to resolve this dispute on the terms and conditions described herein.

10 AGREEMENT

11 For the purpose of completely settling and resolving the appeal of Audit Finding 2007-5,
12 the Parties agree as set forth below:

13 1. This stipulated agreement fully and completely resolves all claims, demands,
14 appeals, obligations, or causes of actions arising from or relating to Audit Finding 2007-5.
15 Accordingly, the Parties expressly waive any right or claim to assert or pursue thereafter any
16 claim, demand, obligation, and/or cause of action relating to Audit Finding 2007-5.

17 2. The Appellant shall repay in full satisfaction of Audit Finding 2007-5 the sum of
18 \$37,000.00, with no interest, from its 2012-2013 Principal Apportionment from the California
19 Department of Education.

20 3. This stipulated agreement is subject to and conditioned upon approval and
21 adoption by EAAP, pursuant to Education Code section 41344.1(b).

22 4. This stipulated agreement may be executed in counterparts, each of which shall
23 constitute an original. Facsimile and pdf signatures transmitted to other parties to this stipulated
24 agreement are deemed to be the equivalent of original signatures on counterparts.

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1 5. The parties shall be responsible for their own attorneys' fees and costs.

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3 Dated: 5/29, 2012

PLUMAS LAKE ELEMENTARY SCHOOL DISTRICT

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5 By: Original Signed
6 JEFF ROBERTS, Superintendent
7 Representative for Appellant

8 Dated: 6/7, 2012

DEPARTMENT OF FINANCE

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10 By: Original Signed
11 JENNIFER K. ROCKWELL
12 Chief Counsel for Respondent,
13 Department of Finance

14 Dated: 6/11, 2012

OFFICE OF THE STATE CONTROLLER

15 By: Original Signed
16 JUSTIN W. DERSCH
17 Staff Counsel for Respondent,
18 JOHN CHIANG, California State Controller
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