

**Education Audit Appeals Panel
State of California**

Appeal of 2009-10 Audit Finding 2 by:

Salida Union School District,

Appellant.

EAAP Case No. 11-19

OAH No. 2012060489

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: June 25, 2012.

IT IS SO ORDERED.

June 25, 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. 01-19
10 2009-2010 Audit Finding 2 by:)
11 SALIDA UNION SCHOOL DISTRICT,) **STIPULATED AGREEMENT**
12 Appellant.)
13)
14)
15)

16 Appellant SALIDA UNION SCHOOL DISTRICT (Appellant) and Respondent JOHN
17 CHIANG, California State Controller (SCO) (collectively known as "the Parties") agree to a
18 complete resolution of the above-captioned matter as follows:

19 RECITALS

20 A. The independent accounting firm of Perry Smith, LLP (Auditor) conducted an
21 audit of the Appellant for the 2009-10 fiscal year, the results of which were included in the audit
22 report issued on or about January 12, 2011.

23 B. In Audit Finding 2, the Auditor determined that the Appellant did not comply
24 with the requirements of Education Code section 51747 in regard to its independent study
25 program.

26 C. The Auditor subsequently amended the audit on May 6, 2011, and August 12,
27 2011.

28 D. The SCO certified the audit.

1 E. The Auditor determined that the non-compliance resulted in an \$81,644
2 overpayment of apportionment to the Appellant.

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

5 G. In order to avoid the cost and uncertainty of litigation, the parties to this case
6 agree to resolve this dispute on the terms and conditions described herein.

7 AGREEMENT

8 For the purpose of completely settling and resolving the appeal of Audit Finding 2, the
9 Parties agree as set forth below:

10 1. The Appellant shall repay in full satisfaction of Audit Finding 2, from its future
11 apportionments, the sum of \$81,644 in equal installments over a period of five (5) years, with no
12 interest, commencing with the 2012-13 fiscal year.

13 2. This Stipulated Agreement shall fully resolve any and all claims, demands, audit
14 findings, appeals, obligations, and/or causes of action, now and hereafter arising, relating to
15 Audit Finding 2 of the 2009-2010 fiscal year audit of the Appellant.

16 3. This Stipulated Agreement is subject to and conditioned upon approval and
17 adoption by EAAP, pursuant to Education Code section 41344.1(b).

18 4. This Stipulated Agreement may be executed in counterparts, each of which shall
19 constitute an original. Facsimile and pdf signatures transmitted to other parties to this Stipulated
20 Agreement are deemed to be the equivalent of original signatures on counterparts.

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