

**Education Audit Appeals Panel
State of California**

Appeal of 2011-12 Audit Finding 12-23 by:

South Monterey County Joint Union High
School District,
Appellant.

EAAP Case No. 13-14
OAH No. 2013080873

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: April 28, 2014.

IT IS SO ORDERED.

April 28, 2014
Date

Original Signed

David Botelho, Chairperson
for Education Audit Appeals Panel

1 Richard J. Chivaro, SBN 124391
Justin W. Dersch, SBN 258603
2 **OFFICE OF THE STATE CONTROLLER**
300 Capitol Mall, Suite 1850
3 Sacramento, CA 95814
4 Telephone: (916) 327-1363
Facsimile: (916) 322-1220

5 Attorneys for Respondent,
6 JOHN CHIANG, California State Controller

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. 13-14
10 2011-12 Audit Finding 12-23 by:) OAH Case No. 2013080873
11 SOUTH MONTEREY COUNTY JOINT) **STIPULATED AGREEMENT**
12 UNION HIGH SCHOOL DISTRICT,)
13 Appellant.)

16 Appellant SOUTH MONTEREY COUNTY JOINT UNION HIGH SCHOOL DISTRICT
17 (Appellant), 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 SCO conducted an audit of the Appellant for the 2011-12 fiscal year, the
22 results of which were included in the audit report issued on or about February 23, 2012.
- 23 B. In Audit Finding 12-23, the SCO determined that the Appellant was not in
24 compliance with Education Code section 41402, which sets a maximum administrative employee
25 to teacher ratio, resulting in an overstatement in the amount of apportionment the Appellant
26 claimed from the State in the amount of \$118,112.
- 27 C. Appellant then timely filed a request for formal appeal of Audit Finding 12-23
28 pursuant to Education Code section 41344(d) instituting this appeal.

1 D. Finance intervened as a Respondent pursuant to Education Code section
2 41344.1(b).

3 E. In order to avoid the cost and uncertainty of litigation, the Parties to this case
4 agree to resolve this dispute on the terms and conditions described herein.

5 AGREEMENT

6 For the purpose of completely settling and resolving the appeal of Audit Finding 12-23,
7 the Parties agree as set forth below:

8 1. This stipulated agreement fully and completely resolves all claims, demands,
9 appeals, obligations, or causes of actions arising from or relating to Audit Finding 12-23.
10 Accordingly, the Parties expressly waive any right or claim to assert or pursue thereafter any
11 claim, demand, obligation, and/or cause of action relating to Audit Finding 12-23.

12 2. The Appellant shall repay in full satisfaction of Audit Finding 12-23 the sum of
13 \$51,900, with no interest, from its next principal apportionment following EAAP approval and
14 adoption of this stipulated agreement.

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

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

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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

Dated: 2/14, 2014

SOUTH MONTEREY COUNTY JOINT UNION HIGH SCHOOL DISTRICT

By: Original Signed

DANIEL MOIRAO, State Administrator
Representative for Appellant

APPROVED AS TO FORM:

Dated: 2/24, 2014

By: Original Signed

RICHARD C. MIADICH
Olson Hagel & Fishburn LLP
Attorney for Appellant

Dated: Jan 31, 2014

DEPARTMENT OF FINANCE

By: Original Signed

NICK SCHWEIZER
Program Budget Manager,
Department of Finance

Dated: 2/25, 2014

OFFICE OF THE STATE CONTROLLER

By: Original Signed

JUSTIN W. DERSCH
Staff Counsel for Respondent,
JOHN CHIANG, California State Controller