

**Education Audit Appeals Panel
State of California**

Appeal of 2009-10 Audit Findings 10-30 by:

Vallejo City Unified School District,
Appellant.

EAAP Case No. 13-18
OAH No. 2013080916

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

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Attorneys for VALLEJO CITY UNIFIED SCHOOL DISTRICT

BEFORE THE EDUCATION AUDIT APPEALS PANEL
STATE OF CALIFORNIA

In the Matter of the Appeal
of Fiscal Year 2009-10 Audit Finding 10-30:

VALLEJO CITY UNIFIED SCHOOL
DISTRICT,

Appellant,

v.

OFFICE OF THE STATE CONTROLLER,
Respondent,

DEPARTMENT OF FINANCE,
Intervenor.

EAAP CASE NO.: 13-18
OAH NO. 2013 080916

STIPULATED AGREEMENT

Appellant VALLEJO CITY UNIFIED SCHOOL DISTRICT (Appellant), Respondent JOHN CHIANG, California State Controller (SCO), and Respondent DEPARTMENT OF FINANCE (Finance) (collectively known as "the Parties") agree to a complete resolution of the above-captioned matter as follows:

RECITALS

A. The SCO conducted an audit of the Appellant for the 2009-10 fiscal year, the results of which were included in the final audit report issued on or about June 17, 2013.

B. In Audit Finding 10-30, the SCO determined that the Appellant was not in compliance with Education Code section 41402, which sets a maximum administrative employee to teacher ratio, resulting in an overstatement in the amount of apportionment the Appellant claimed from the State in the amount of \$1,278,984.

C. Appellant then timely filed a request for formal appeal of Audit Finding 10-30 pursuant to Education Code section 41344(d) instituting this appeal before the Education Audit Appeals Panel (EAAP).

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

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

AGREEMENT

For the purpose of completely settling and resolving the appeal of Audit Finding 10-30, the Parties agree as set forth below:

1. This stipulated agreement fully and completely resolves all claims, demands, appeals, obligations, or causes of action arising from or relating to Audit Finding 10-30. Accordingly, the Parties expressly waive any right or claim to assert or pursue thereafter any claim, demand, obligation, and/or cause of action relating to Audit Finding 10-30.

2. The Appellant shall repay in full satisfaction of Audit Finding 10-30 the sum of \$117,410, with no interest, from its next school year apportionment following EAAP approval of this stipulated agreement.

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

4. This stipulated agreement may be executed in counterparts, each of which shall constitute an original. Facsimile and pdf signatures by the Parties and/or their designated representatives are deemed the equivalent of original signatures.

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

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Dated: 3/7/14

VALLEJO CITY UNIFIED SCHOOL DISTRICT

Original Signed

RAMONA E. BISHOP, Ed.D., Superintendent
Appellant Representative

1/31/14

Dated: _____

DEPARTMENT OF FINANCE

Original Signed

NICK SCHWEIZER, Program Budget Manager

2/4/14

Dated: _____

STATE CONTROLLER'S OFFICE

Original Signed

GARY D. HORI, Staff Counsel

APPROVED AS TO FORM.

Dated: 1/28/14

~~OLSON~~ HAGEL & FISHBURN LLP

Original Signed

RICHARD C. MIADICH
Counsel for Appellant Vallejo City U.S.D.

2/4/14

Dated: _____

OFFICE OF THE ATTORNEY GENERAL

Original Signed

CHARLES J. ANTONEN
Counsel for Intervenor Department of Finance