

**Final Statement of Reasons  
Supplement to  
2009-10 Audit Guide**

**Sections 19824, 19851, and 19854**

The Initial Statement of Reasons is included in the file. The information contained therein is supplemented as set forth below.

At the February 1, 2010, meeting of the Education Audit Appeals Panel (EAAP), the Panel considered regulations to supplement the audit guide for K-12 local education agency (LEA) audits for the 2009-10 fiscal year. The Panel adopted emergency regulations and authorized staff to begin the regular rulemaking process for the eventual adoption of the same text as permanent regulations. The emergency regulations took effect on filing with the Secretary of State on February 26, 2010.

The Notice of Proposed Rulemaking for the permanent regulations was published in the California Notice Register on February 19, 2010. No public hearing was held, and no written comments were received. The comment period ended April 5, 2010.

At the April 26, 2010, EAAP meeting, the Panel adopted the final supplemental audit guide regulations for fiscal year 2009-10.

**Technical, Theoretical, or Empirical Studies, Reports, or Documents.**

EAAP did not rely on any technical, theoretical, or empirical studies, reports, or documents in proposing the adoption of these regulations.

**Request That Regulations Become Effective Upon Filing**

EAAP requests that the regulations in the current rulemaking file become effective upon filing. Education Code Section 14502.1 requires EAAP to adopt audit guide regulations pursuant to the rulemaking procedures of the Administrative Procedure Act by July 1 of the fiscal year to be audited. These regulations will replace the emergency audit guide regulations that became effective February 26, 2010. Together with the remainder of Chapter 3, Division 1.5, of Title 5 of the California Code of Regulations, these regulations constitute the audit guide for the audit of the current fiscal year.

**Alternatives Determination**

The Education Audit Appeals Panel has determined that no alternative would be more effective in carrying out the purpose for which these regulations are proposed or would be as effective and less burdensome than the proposed regulations.

**Local Mandate Determination**

The proposed regulations do not impose any mandate on local agencies or school districts.