

**Education Audit Appeals Panel  
State of California**

Appeal of 2014-15 Audit Findings  
2015-033, 2015-045 & 2015-046 by:

Inglewood Unified School District,  
  
Appellant.

EAAP Case No. 17-17

OAH No. 2017100237

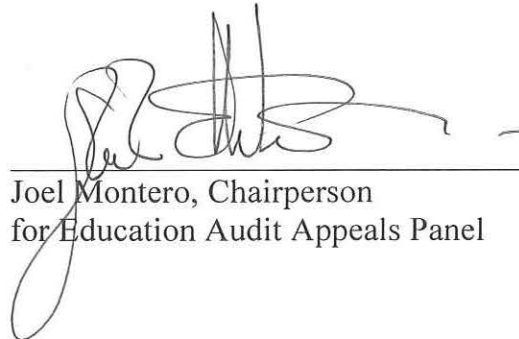
**Decision**

The Education Audit Appeals Panel has adopted the attached Stipulated Agreement of the parties as its Decision in the above-entitled matter.

Effective date: 2/24/2020.

IT IS SO ORDERED.

FEB. 24, 2020  
Date

  
\_\_\_\_\_  
Joel Montero, Chairperson  
for Education Audit Appeals Panel

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*California Department of Finance*  
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9

10 BEFORE THE EDUCATION AUDIT APPEALS PANEL  
11 FOR THE STATE OF CALIFORNIA  
12

13 In the Matter of the Audit Appeal of:

14 The 2014-15 Audit Findings 2015-033,  
15 2015-045 and 2015-046 by INGLEWOOD  
UNIFIED SCHOOL DISTRICT,

16 Appellant,

17 v.  
18

19 CALIFORNIA STATE CONTROLLER,

20 Respondent,

21 CALIFORNIA DEPARTMENT OF  
22 FINANCE,

23 Intervenor.  
24

OAH No. 2017100237

EAAP Case No. 17-17

STIPULATION AND SETTLEMENT  
AGREEMENT

INTRODUCTION

25 Appellant Inglewood Unified School District (Appellant), Respondent Betty Yee,  
26 California State Controller's Office (SCO), and Intervenor California Department of Finance  
27  
28

1 (Finance) (collectively, the Parties) agree to a complete settlement of the above-captioned matter  
2 as follows:

3 RECITALS

4 A. The SCO conducted an audit of the Appellant for the 2014-15 fiscal year, the results  
5 of which were included in the final audit report issued on or about June 30, 2017. The audit  
6 report included the Audit Findings noted below.

7 B. In Audit Finding 2015-033, the SCO determined that the Appellant misstated average  
8 daily attendance (ADA) for the Second Principal Apportionment (P-2) and annual reporting  
9 periods, resulting in an overstatement in the amount of apportionment the Appellant claimed from  
10 the State in the amount of \$738,179.

11 C. In Audit Finding 2015-045, the SCO determined that the Appellant improperly  
12 charged non-qualifying expenditures against the Common Core implementation program,  
13 resulting in an overstatement in expenditures for the program in the amount of \$11,430.

14 D. In Audit Finding 2015-046, the SCO determined that the Appellant did not maintain  
15 adequate documentation to support its Local Control Funding Formula unduplicated pupil counts  
16 (UPC) of English Learners or pupils reported as eligible for free or reduced-price meals, resulting  
17 in an overstatement in the amount of apportionment the Appellant claimed from the State in the  
18 amount of \$1,579,088.

19 E. Appellant then timely filed a request for formal appeal of Audit Findings 2015-033,  
20 2015-045 and 2015-046 (Appeal) pursuant to Education Code section 41344, subdivision (d),  
21 instituting the Appeal before the Education Audit Appeals Panel (EAAP).

22 F. Finance intervened pursuant to Education Code section 41344.1, subdivision (b).

23 G. To avoid the cost and uncertainty of litigation, the Parties agree to completely resolve  
24 this dispute on the terms and conditions described below.

25 AGREEMENT

26 For the purpose of completely settling and resolving the appeal of Audit Findings  
27 2015-033, 2015-045, and 2015-046, the Parties agree:

- 1 1. Appellant shall repay in full satisfaction of Audit Findings 2015-033, 2015-045, and  
2 2015-046 the sum total of \$415,358. The total amount of the repayment shall be  
3 withheld from Appellant's future principal apportionments in equal installments over a  
4 period of eight (8) years, with no interest, commencing with Appellant's 2020-21 First  
5 Principal Apportionment (P-1) following the EAAP's approval and adoption of this  
6 stipulated agreement.
- 7 2. The La Tijera Charter School shall repay in full satisfaction its portion of Audit  
8 Finding 2015-046 the sum total of \$15,910. The total amount of the repayment shall  
9 be withheld from La Tijera Charter School's future principal apportionments in equal  
10 installments over a period of eight (8) years, with no interest, commencing with La  
11 Tijera Charter School's 2020-21 P-1 following the EAAP's approval and adoption of  
12 this stipulated agreement.
- 13 3. For Audit Finding 2015-033, Appellant shall report to the Department of Education  
14 revised disallowed P-2 ADA of 3.61 and revised disallowed Annual ADA of 3.62.  
15 For Audit Finding 2015-046, the Appellant shall report to the Department of  
16 Education revised disallowed UPC of 483 and revised disallowed UPC of 21 for La  
17 Tijera Charter School. The Appellant shall submit the revisions required in this  
18 paragraph within 30 days of EAAP approving and adopting this stipulated agreement.
- 19 4. This stipulated agreement is subject to and conditioned upon approval and adoption  
20 by EAAP, pursuant to Education Code section 41344.1, subdivision (b).
- 21 5. This stipulated agreement may be executed in counterparts, each of which shall  
22 constitute an original. Facsimile and pdf signatures by the Parties and/or their  
23 designated representatives are deemed the equivalent of original signatures.
- 24 6. The Parties shall be responsible for their own attorneys' fees and costs.
- 25 7. This agreement does not reflect subsequent year funding effects that may result from  
26 reporting disallowed ADA and UPC pursuant to paragraph 3.

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Dated: 1/7/2020

INGLEWOOD UNIFIED SCHOOL DISTRICT

By: Erika F. Torres  
DR. ERIKA F. TORRES, ED.D.,  
County Administrator for Inglewood  
Unified School District

Dated: \_\_\_\_\_

DEPARTMENT OF FINANCE

By: \_\_\_\_\_  
JEFF BELL  
Program Budget Manager  
Department of Finance

Dated: \_\_\_\_\_

OFFICE OF THE STATE CONTROLLER

By: \_\_\_\_\_  
SCOTT MERRILL  
Counsel for Hon. Betty Yee  
State Controller

APPROVED AS TO FORM ONLY:

Dated: \_\_\_\_\_

XAVIER BECERRA  
Attorney General of California  
Jennifer M. Kim  
Supervising Deputy Attorney General

By: \_\_\_\_\_  
BENJAMIN G. DIEHL  
Deputy Attorney General  
Attorneys for Department of Finance

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
BENJAMIN GEVERCER  
Olson Hagel & Fishburn, LLP  
Attorneys for Inglewood Unified School  
District


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Dated: \_\_\_\_\_

INGLEWOOD UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_  
DR. ERIKA F. TORRES, ED.D.,  
County Administrator for Inglewood  
Unified School District

Dated: 16 DEC 19

DEPARTMENT OF FINANCE  
By:   
JEFF BELL  
Program Budget Manager  
Department of Finance

Dated: \_\_\_\_\_

OFFICE OF THE STATE CONTROLLER

By: \_\_\_\_\_  
SCOTT MERRILL  
Counsel for Hon. Betty Yee  
State Controller

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Dated: \_\_\_\_\_

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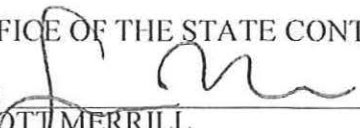
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DEPARTMENT OF FINANCE

By: \_\_\_\_\_  
JEFF BELL  
Program Budget Manager  
Department of Finance

Dated: 12/20/19

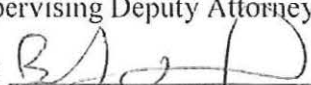
OFFICE OF THE STATE CONTROLLER

By:   
SCOTT MERRILL  
Counsel for Hon. Betty Yee  
State Controller

APPROVED AS TO FORM ONLY:

Dated: 1/13/2020

XAVIER BECERRA  
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By:   
BENJAMIN G. DIEHL  
Deputy Attorney General  
Attorneys for Department of Finance

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Dated: \_\_\_\_\_

INGLEWOOD UNIFIED SCHOOL  
DISTRICT

By: \_\_\_\_\_  
DR. ERIKA F. TORRES, ED.D.,  
County Administrator for Inglewood  
Unified School District

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DEPARTMENT OF FINANCE

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By: \_\_\_\_\_  
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Dated: 1/16/2020

By:   
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*Remcho B6*