

**Education Audit Appeals Panel  
State of California**

Appeal of 2015-16 Audit Findings  
2016-035, 2016-043 & 2016-046 by:

Inglewood Unified School District,  
  
Appellant.

EAAP Case No. 18-08

OAH No. 2018070833

**Decision**

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

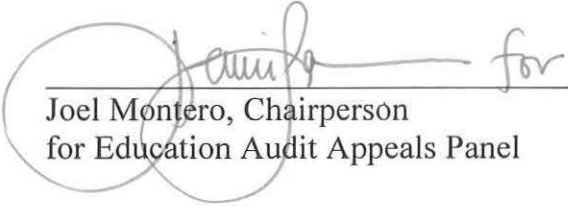
(Corrected to state 2015-16 fiscal year, previously stated 2014-15)

Effective date: February 24, 2020.

IT IS SO ORDERED.

Date

3/13/2020

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

**Education Audit Appeals Panel  
State of California**

Appeal of 2014-15 Audit Findings  
2016-035, 2016-043 & 2016-046 by:

Inglewood Unified School District,

Appellant.

EAAP Case No. 18-08

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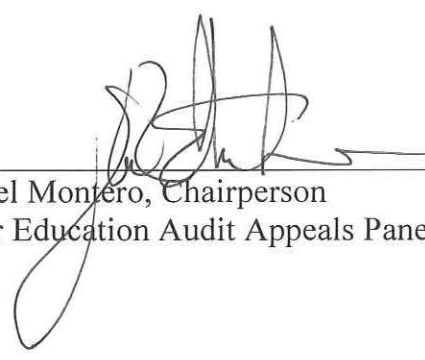
**Decision**

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

1 XAVIER BECERRA  
Attorney General of California  
2 JENNIFER M. KIM  
Supervising Deputy Attorney General  
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7 *Attorneys for Intervenor*  
*California Department of Finance*  
8  
9

10 BEFORE THE EDUCATION AUDIT APPEALS PANEL

11 STATE OF CALIFORNIA

12  
13 In the Matter of the Audit Appeal of:

14 The 2015-16 Audit Findings 2016-035,  
15 2016-043, and 2016-046 by INGLEWOOD  
UNIFIED SCHOOL DISTRICT,

16 Appellant,

17 v.

18  
19 CALIFORNIA STATE CONTROLLER,

20 Respondent,

21  
22 CALIFORNIA DEPARTMENT OF  
FINANCE,

23 Intervenor.

OAH No. 2018070833

EAAP Case No. 18-08

STIPULATION AND SETTLEMENT  
AGREEMENT

24 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 2015-16 fiscal year, the results  
5 of which were included in the final audit report issued on or about March 30, 2018. The audit  
6 report included the Audit Findings noted below.

7 B. In Audit Finding 2016-035, the SCO determined that the Appellant's master  
8 agreements for independent study programs did not contain all the required elements for receiving  
9 apportionments for ADA, resulting in an overstatement in the amount of apportionment the  
10 Appellant claimed from the State in the amount of \$314,812.

11 C. In Audit Finding 2016-043, the SCO determined that the Appellant did not  
12 maintain adequate documentation to support its Local Control Funding Formula unduplicated  
13 pupil counts (UPC) of English Learners or pupils reported as eligible for free or reduced-price  
14 meals, resulting in an overstatement in the amount of apportionment the Appellant claimed from  
15 the State in the amount of \$271,022.

16 D. In Audit Finding 2016-046, the SCO determined that the Appellant did not comply  
17 with student immunization requirements for receiving apportionments for ADA, resulting in an  
18 overstatement in the amount of apportionment the Appellant claimed from the State in the amount  
19 of \$37,495.

20 E. Appellant then timely filed a request for formal appeal of Audit Findings 2016-035,  
21 2016-043, and 2016-046 (Appeal) pursuant to Education Code section 41344, subdivision (d),  
22 instituting the Appeal before the Education Audit Appeals Panel (EAAP).

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

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

26 AGREEMENT

27 For the purpose of completely settling and resolving the appeal of Audit Findings  
28 2016-035, 2016-043, and 2016-046, the Parties agree:

1. Appellant shall repay in full satisfaction of Audit Findings 2016-035, 2016-043, and 2016-046 the sum total of \$486,894. The total amount of the repayment shall be withheld from Appellant's future principal apportionments in equal installments over a period of eight (8) years, with no interest, commencing with Appellant's 2020-21 First Principal Apportionment (P-1) following the EAAP's approval and adoption of this stipulated agreement.
2. The La Tijera Charter School shall repay in full satisfaction its portion of Audit Finding 2016-43 the sum total of \$8,524. The total amount of the repayment shall be withheld from the La Tijera Charter School's future principal apportionments in equal installments over a period of eight (8) years, with no interest, commencing with La Tijera Charter School's 2020-21 P-1 following the EAAP's approval and adoption of this stipulated agreement.
3. For Audit Finding 2016-035, Appellant shall report to the Department of Education disallowed Second Principal Apportionment (P-2) ADA of 34.42 and disallowed Annual ADA of 38.97. For Audit Finding 2016-043, the Appellant shall report to the Department of Education revised disallowed UPC of 143 and revised disallowed UPC of 10 for La Tijera Charter School. For Audit Finding 2016-046, the Appellant shall report to the Department of Education disallowed P-2 ADA of 4.42 and Annual ADA of 3.77. The Appellant shall submit the revisions required in this paragraph within 30 days of EAAP approving and adopting this stipulated agreement.
4. This stipulated agreement is subject to and conditioned upon approval and adoption by EAAP, pursuant to Education Code section 41344.1, subdivision (b).
5. 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.
6. The Parties shall be responsible for their own attorneys' fees and costs.
7. This agreement does not reflect subsequent year funding effects that may result from 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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By: \_\_\_\_\_  
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Dated: \_\_\_\_\_

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

INGLEWOOD UNIFIED SCHOOL  
DISTRICT

By: \_\_\_\_\_  
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: 12/20/19

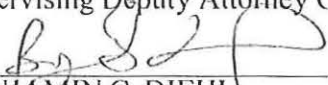
OFFICE OF THE STATE CONTROLLER

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

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Dated: 1/13/2020

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By:   
BENJAMIN G. DIEHL  
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Dated: \_\_\_\_\_

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

INGLEWOOD UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_  
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: \_\_\_\_\_

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Jennifer M. Kim  
Supervising Deputy Attorney General

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

Dated: 1/10/2020

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

*Remcho BG*