

**Education Audit Appeals Panel
State of California**

Appeal of 2018-19 Audit Finding 2019-001
by:

Mojave River Academy - Rockview Park,
Appellant

EAAP Case No. 20-09

OAH No. 2020100147

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: July 26, 2021.

IT IS SO ORDERED.

Date

July 26, 2021


Joel Montero, Chairperson
for Education Audit Appeals Panel



BETTY T. YEE
California State Controller

May 11, 2021

The Education Audit Appeals Panel (EAAP)
Attn: Tim Morgan, Attorney
770 L Street, Suite 1100
Sacramento, California 95814

Re: Settlement Agreement Transmittal: IN THE MATTER OF THE APPEAL OF
FISCAL YEAR 2018-2019 AUDIT FINDING 2019-1 BY MOJAVE RIVER
ACADAMY-ROCKVIEW PARK

Dear Mr. Morgan:

For the Panels consideration, please find the original signed copies of the above captioned settlement agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "John Dickerson", is written over a horizontal line.

JOHN DICKERSON
Attorney

Enclosures

1 ROB BONTA
Attorney General of California
2 MAUREEN C. ONYEAGBAKO
Supervising Deputy Attorney General
3 GRANT LIEN
Deputy Attorney General
4 State Bar No. 187250
1300 I Street, Room 1630-18
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Sacramento, California 94244-2550
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7 E-mail: Grant.Lien@doj.ca.gov
Attorneys for Respondent
8 *California Department of Finance*

9
10
11 BEFORE THE EDUCATION AUDIT APPEALS PANEL
12 STATE OF CALIFORNIA
13

14 **In the Matter of the Audit Appeal of:**

15 **Fiscal Year 2018-19 Audit Finding 2019-001**
16 **by MOJAVE RIVER ACADEMY-**
ROCKVIEW PARK,

17 Appellant,

18 v.

19 **CALIFORNIA STATE CONTROLLER,**

20 Respondent,

21
22 **CALIFORNIA DEPARTMENT OF**
23 **FINANCE,**

24 Respondent.
25

OAH No. 2020100147

EAAP Case No. 20-09

**STIPULATION AND SETTLEMENT
AGREEMENT**

1 INTRODUCTION

2 Appellant MOJAVE RIVER ACADEMY-ROCKVIEW PARK (Appellant), Respondent
3 CALIFORNIA STATE CONTROLLER'S OFFICE (SCO), and Respondent CALIFORNIA
4 DEPARTMENT OF FINANCE (Finance) (collectively known as "the Parties") agree to a
5 complete settlement of the above-captioned matter as follows:

6 RECITALS

7 A. Christy White, Inc. conducted an independent audit of the Appellant for the 2018-19
8 fiscal year, the results of which were included in the final audit report issued on or about
9 December 13, 2019.

10 B. In Audit Finding 2019-001, Christy White, Inc. determined that the Appellant did not
11 maintain adequate documentation to support its Local Control Funding Formula Unduplicated
12 Pupil Counts (UPC) of English Learners or pupils reported as eligible for free or reduced-price
13 meals, resulting in an overstatement in the amount of apportionment the Appellant claimed from
14 the State in the amount of \$31,726.

15 C. Appellant then timely filed a request for formal appeal of its portion of Audit Finding
16 2019-001 (Appeal) pursuant to Education Code section 41344(d), instituting the Appeal before
17 the Education Audit Appeals Panel (EAAP).

18 D. To avoid the cost and uncertainty of litigation, the Parties agree to completely resolve
19 this dispute on the terms and conditions described below.

20 AGREEMENT

21 For the purpose of completely settling and resolving the appeal of Audit Finding 2019-001,
22 the Parties agree to the terms and conditions set forth below:

- 23 1. The Appellant shall repay in full satisfaction of its portion of Audit Finding 2019-001
24 the sum total of \$12,680. The total amount of the repayment shall be withheld from
25 the Appellant's future principal apportionments in equal installments over a period of
26 eight (8) years, with no interest, commencing with the Appellant's 2021-22 First
27 Principal Apportionment (P-1) following the EAAP's approval and adoption of this
28 stipulated agreement.

- 1 2. For Audit Finding 2019-001, the Appellant shall report to the Department of
2 Education revised disallowed UPC of 2. The Appellant shall submit the revision
3 required in this paragraph within 30 days of EAAP approving and adopting this
4 stipulated agreement
- 5 3. This stipulated agreement is subject to and conditioned upon approval and adoption
6 by EAAP, pursuant to Education Code section 41344.1(b).
- 7 4. This stipulated agreement may be executed in counterparts, each of which shall
8 constitute an original. Facsimile and pdf signatures by the Parties and/or their
9 designated representatives are deemed the equivalent of original signatures.
- 10 5. The Parties shall be responsible for their own attorneys' fees and costs.
- 11 6. This agreement does not reflect subsequent year funding effects that may result from
12 reporting disallowed UPC pursuant to paragraph 2.
- 13

14 Dated: _____

MOJAVE RIVER ACADEMY-
ROCKVIEW PARK

15
16 By: _____
KARI HEMSLEY
17 Director


18 Dated: 4/27/2021

DEPARTMENT OF FINANCE

19
20 By:  _____
Chris Ferguson
21 Program Budget Manager

22
23 Dated: 5-4-2021

OFFICE OF THE STATE CONTROLLER


24
25 By:  _____
JOHN DICKERSON
26 Counsel for Hon. Betty Yee
27 State Controller

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AS TO FORM ONLY

Dated: 5/4/21

ROB BONTA
Attorney General of California
MAUREEN C. ONYEAGBAKO
Supervising Deputy Attorney General


GRANT LIEN
Deputy Attorney General
Attorneys for Department of Finance



Oro Grande School District

Heather Griggs, Ed.D.
Superintendent

April 29, 2021

State Controller's Office
Attn: John Dickerson
300 Capitol Mall, Ste. 1850
Sacramento, CA 95814

RE: 2018-19 Audit Finding: Stipulation and Settlement Agreement

John,

I have enclosed two copies of the signed agreement. If you need additional copies or have questions, please contact me.

Thank you,

Julie Gonzales
Executive Director of Fiscal Services
Oro Grande School District

cc: Kari Hemsley

PO BOX 386 / 19900 National Trails Hwy.,
Oro Grande, California 92368 (760) 243-5884

BOARD OF EDUCATION

Marlene Henry, President • Paula Ramirez, Clerk • Edna Rodriguez, Member



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13 E-mail: Grant.Lien@doj.ca.gov
14 *Attorneys for Respondent*
15 *California Department of Finance*
16
17
18

19 BEFORE THE EDUCATION AUDIT APPEALS PANEL
20 STATE OF CALIFORNIA
21
22

23
24 **In the Matter of the Audit Appeal of:**

OAH No. 2020100147

25
26 **Fiscal Year 2018-19 Audit Finding 2019-001**
27 **by MOJAVE RIVER ACADEMY-**
28 **ROCKVIEW PARK,**

EAAP Case No. 20-09

**STIPULATION AND SETTLEMENT
AGREEMENT**

Appellant,

v.

CALIFORNIA STATE CONTROLLER,

Respondent,

**CALIFORNIA DEPARTMENT OF
FINANCE,**

Respondent.

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INTRODUCTION

Appellant MOJAVE RIVER ACADEMY-ROCKVIEW PARK (Appellant), Respondent CALIFORNIA STATE CONTROLLER'S OFFICE (SCO), and Respondent CALIFORNIA DEPARTMENT OF FINANCE (Finance) (collectively known as "the Parties") agree to a complete settlement of the above-captioned matter as follows:

RECITALS

A. Christy White, Inc. conducted an independent audit of the Appellant for the 2018-19 fiscal year, the results of which were included in the final audit report issued on or about December 13, 2019.

B. In Audit Finding 2019-001, Christy White, Inc. determined that the Appellant did not maintain adequate documentation to support its Local Control Funding Formula Unduplicated Pupil Counts (UPC) of English Learners or pupils reported as eligible for free or reduced-price meals, resulting in an overstatement in the amount of apportionment the Appellant claimed from the State in the amount of \$31,726.

C. Appellant then timely filed a request for formal appeal of its portion of Audit Finding 2019-001 (Appeal) pursuant to Education Code section 41344(d), instituting the Appeal before the Education Audit Appeals Panel (EAAP).

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

AGREEMENT

For the purpose of completely settling and resolving the appeal of Audit Finding 2019-001, the Parties agree to the terms and conditions set forth below:

1. The Appellant shall repay in full satisfaction of its portion of Audit Finding 2019-001 the sum total of \$12,680. The total amount of the repayment shall be withheld from the Appellant's future principal apportionments in equal installments over a period of eight (8) years, with no interest, commencing with the Appellant's 2021-22 First Principal Apportionment (P-1) following the EAAP's approval and adoption of this stipulated agreement.
2. For Audit Finding 2019-001, the Appellant shall report to the Department of Education revised disallowed UPC of 2. The Appellant shall submit the revision required in this paragraph within 30 days of EAAP approving and adopting 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.
6. This agreement does not reflect subsequent year funding effects that may result from reporting disallowed UPC pursuant to paragraph 2.

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Dated: 4/29/21

MOJAVE RIVER ACADEMY-
ROCKVIEW PARK

By: Kari Hemsley
KARI HEMSLEY
Director

Dated: _____

DEPARTMENT OF FINANCE

By: _____
Chris Ferguson
Program Budget Manager

Dated: _____

OFFICE OF THE STATE CONTROLLER

By: _____
JOHN DICKERSON
Counsel for Hon. Betty Yee
State Controller

AS TO FORM ONLY

Dated: _____

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Attorneys for Department of Finance