

**Education Audit Appeals Panel
State of California**

Appeal of 2015-16 Audit Finding 2016-001 by:

North Cow Creek Elementary School,

Appellant.

EAAP Case No. 17-08

OAH No. 2017080721

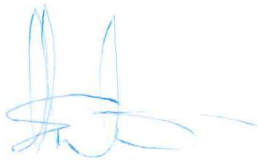
Decision

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

Effective date: 3/26/2018.

IT IS SO ORDERED.

3/26/2018
Date



Joel Montero, Chairperson
for Education Audit Appeals Panel

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Attorney General of California
2 ISMAEL A. CASTRO
Supervising Deputy Attorney General
3 JUDY Y. WONG
Deputy Attorney General
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Attorneys for Department of Finance
8

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EDUCATION AUDIT
APPEALS PANEL

9
10 **BEFORE THE EDUCATION AUDIT APPEALS PANEL**

11 **STATE OF CALIFORNIA**

12 IN THE MATTER OF THE APPEAL OF
13 FISCAL YEAR 2015-2016, AUDIT FINDING
2016-001 by NORTH COW CREEK
14 ELEMENTARY SCHOOL DISTRICT,

Appellant,

15 v.

16 OFFICE OF THE STATE CONTROLLER,

17 Respondent,

18 DEPARTMENT OF FINANCE,

19 Intervenor.
20

EAAP CASE NO.: 17-08

OAH NO. 2017080721

21 **STIPULATION AND SETTLEMENT**
22 **AGREEMENT**

23 Appellant NORTH COW CREEK ELEMENTARY SCHOOL DISTRICT ("Appellant"),
24 Respondent BETTY YEE, California State Controller, ("SCO"), and Intervenor DEPARTMENT
25 OF FINANCE ("Finance") (collectively known as "the parties") agree to a complete settlement of
26 the above-captioned matter as follows:
27
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1 RECITALS

2 A. The independent auditing firm Robertson & Associates (Auditor) conducted an audit
3 of the Appellant for the 2015-2016 fiscal year.

4 B. In Audit Finding 2016-001, the Auditor determined that Appellant had hired a non-
5 credentialed teacher and the teacher had not applied for credentialing until March 1, 2016. As a
6 result, the Auditor disallowed \$81,066 received by Appellant for the 2015-2016 fiscal year,
7 pursuant to the penalty calculation methodology in Education Code section 45037.

8 C. Appellant timely filed a request for formal appeal of the foregoing audit finding
9 pursuant to Education Code section 41344(d) instituting the appeal before the Education Audit
10 Appeals Panel ("EAAP").

11 D. Finance intervened pursuant to Education Code section 41344.1, subdivision (b).

12 E. To avoid the cost and uncertainty of litigation, the parties to this case agree to
13 completely resolve this dispute on the terms and conditions described below.

14
15 AGREEMENT

16 For the purpose of completely settling and resolving the appeal of Audit Finding 2016-001,
17 the parties agree as set forth below:

18 1. The disallowed amount of \$81,066 shall be reduced to the sum of \$40,533. The
19 remaining balance shall be waived.

20 2. Appellant shall repay in full satisfaction of Audit Finding 2016-001 the sum of
21 \$40,533, without interest, from Appellant's next principal apportionment following EAAP's
22 approval of this stipulated agreement.

23 3. The stipulated agreement fully and completely resolves all claims, demands, appeals,
24 obligations, or causes of action arising from or relating to Audit Finding 2016-001. Accordingly,
25 the parties expressly waive any right or claim to assert or pursue thereafter any claim, demand,
26 obligation, and/or cause of action relating to Audit Finding 2016-001.

1 4. The stipulated agreement is subject to and conditioned upon approval and adoption by
2 EAAP, pursuant to Education Code section 41344.1(b), and upon ratification by the Appellant's
3 Governing Board.

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

7 6. The parties shall bear their own attorneys' fees and costs.

8 ///


9 ///

10 ///

11 ///

1 Dated: 12/18/17

NORTH COW CREEK ELEMENTARY
SCHOOL DISTRICT

2
3 By: 
JENNIFER M. GRANT
Lozano Smith LLP
Attorneys for North Cow Creek Elementary
School District

4
5
6 Dated: _____

NORTH COW CREEK ELEMENTARY
SCHOOL DISTRICT

7
8 By: _____
Officer of Governing Board
North Cow Creek Elementary School
District

9
10 Dated: _____

OFFICE OF THE STATE CONTROLLER

11
12 By: _____
SCOTT MERRILL
Counsel for Hon. Betty Yee
State Controller

13
14 Dated: _____

DEPARTMENT OF FINANCE

15
16 By: _____
JEFF BELL
Program Budget Manager
Department of Finance

17
18 Dated: _____

19
20 By: _____
JUDY Y. WONG
Deputy Attorney General
Attorneys for Department of Finance
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Dated: _____

NORTH COW CREEK ELEMENTARY
SCHOOL DISTRICT

By: _____
JENNIFER M. GRANT
Lozano Smith LLP
Attorneys for North Cow Creek Elementary
School District

Dated: Dec. 14, 2017

NORTH COW CREEK ELEMENTARY
SCHOOL DISTRICT

By: Alfon Harris
Officer of Governing Board
North Cow Creek Elementary School
District

Dated: _____

OFFICE OF THE STATE CONTROLLER

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

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DEPARTMENT OF FINANCE

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Program Budget Manager
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NORTH COW CREEK ELEMENTARY
SCHOOL DISTRICT

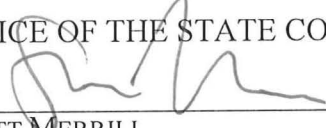
By: _____
JENNIFER M. GRANT
Lozano Smith LLP
Attorneys for North Cow Creek Elementary
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SCHOOL DISTRICT

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SCHOOL DISTRICT

By: _____
Officer of Governing Board
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By: _____
SCOTT MERRILL
Counsel for Hon. Betty Yee
State Controller

Dated: 02 JAN 18

DEPARTMENT OF FINANCE

By:  _____
JEFF BELL
Program Budget Manager
Department of Finance

Dated: _____

By: _____
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SCHOOL DISTRICT

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Officer of Governing Board
North Cow Creek Elementary School
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Dated: _____

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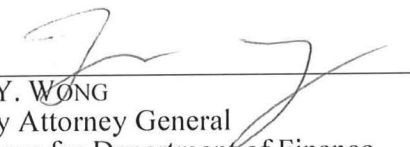
By: _____
SCOTT MERRILL
Counsel for Hon. Betty Yee
State Controller

Dated: _____

DEPARTMENT OF FINANCE

By: _____
JEFF BELL
Program Budget Manager
Department of Finance

Dated: 01/03/2018

By: 
JUDY Y. WONG
Deputy Attorney General
Attorneys for Department of Finance
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