

**Education Audit Appeals Panel
State of California**

Appeal of Fiscal Year 2014-15 Audit
Finding 2015-02 by:

St. Hope Public Schools,
Appellant.

EAAP Case No. 16-27

OAH No. 2017040518

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: 1/28/19.

IT IS SO ORDERED.

1/28/19
Date


Joel Montero, Chairperson
for Education Audit Appeals Panel

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EDUCATION AUDIT
APPEALS PANEL

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 8 California Department of Finance

9 BEFORE THE EDUCATION AUDIT APPEALS PANEL

10 STATE OF CALIFORNIA

12 IN THE MATTER OF THE AUDIT APPEAL OF:
 13 Fiscal Year 2014-2015 Audit Finding 2015-02 by
 14 ST HOPE PUBLIC SCHOOLS,
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 Appellant,
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 v.
 17 CALIFORNIA STATE CONTROLLER,
 18
 Respondent.
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 20 DEPARTMENT OF FINANCE,
 21
 Intervenor.
 22

Case No. 2017040518

STIPULATED AGREEMENT

EAAP Case No. 16-27

23 Appellant ST. HOPE PUBLIC SCHOOLS (Appellant), Respondent BETTY YEE,
 24 California State Controller (SCO), and Intervener DEPARTMENT OF FINANCE (Finance)
 25 (collectively known as "the Parties") agree to a complete resolution of the above-captioned matter
 26 as follows:

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1 **RECITALS**

2 A. The independent auditing firm Gilbert Associates, Inc., (Auditor) conducted an
3 audit of the Appellant for the 2014-15 fiscal year, the results of which were included in the final
4 audit report issued on or about December 15, 2015.

5 B. In audit Finding 2015-002, the Auditor determined that the Appellant was not in
6 compliance with Education Code section 47605 subdivision (1), which requires teachers in
7 charter schools to hold a valid teaching certification and that applicable documentation be
8 maintained at the charter school. As a result, the Appellant did not meet the required minimum
9 minutes of instruction pursuant to Education Code section 47612.5.

10 C. The audit revealed that three teachers at St. HOPE Public School 7 (PS7) and two
11 teachers at Sacramento Charter High School (SCHS) did not possess a valid certification
12 document for a portion or all of the 2014-15 school year, which resulted in an overstatement in
13 the amount of apportionment the Appellant claimed from the State in the amount of \$400,250.

14 D. The SCO certified the subject audit and audit report and audit finding on or about
15 July 27, 2016.

16 E. Appellant timely filed a request for formal appeal of Finding 2015-002 (the
17 "Appeal") pursuant to Education Code section 41344 subdivision (d) instituting this appeal before
18 the Education Audit Appeals Panel (EAAP).

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

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

22 **AGREEMENT**

23 For the purpose of completely settling and resolving the audit findings between the
24 Appellant and SCO and Finance, the Parties agree as set forth:

25 1. Appellant St. HOPE Public Schools shall repay in full satisfaction of Finding
26 2015-02 the sum of \$153,693 over a period of eight years without interest, beginning with its next
27 principal apportionment following EAAP approval and adoption of this settlement agreement.
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2. This stipulated agreement is subject to and conditioned upon approval and adoption by EAAP, pursuant to section 41344.1, subdivision (b), of the Education Code, and upon ratification by the Appellant's Governing Board.

3. This stipulated agreement may be executed in counterparts, each of which shall constitute an original. Facsimile and PDF signatures transmitted to other parties to this Agreement are deemed to be the equivalent of original signatures or counterparts.

4. The parties shall be responsible for their own attorney fees and costs relative to the Appeal.

5. This stipulated agreement fully and completely resolves all claims, demands, appeals, obligations, or causes of action relating to Finding 2015-002 of St. HOPE Public Schools 2014-2015 Annual Audit.

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(signatures on page 4)

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The parties ratify the preceding terms and conditions through the signatures of their respective representatives, as follows:

DATED: _____, 2018 ST. HOPE PUBLIC SCHOOLS

By: _____
JAKE MOSSAWIR
CHIEF EXECUTIVE OFFICER
ST. HOPE PUBLIC SCHOOLS

DATED: _____, 2018

By: _____
PAUL C. MINNEY
KEVIN TROY
LAW OFFICES OF YOUNG, MINNEY & CORR, LLP.
Attorney for Appellant St. HOPE Public Schools

DATED: 9-27, 2018

OFFICE OF THE STATE CONTROLLER

By: 
JOHN DICKERSON
Attorney for Respondent Office of the State Controller

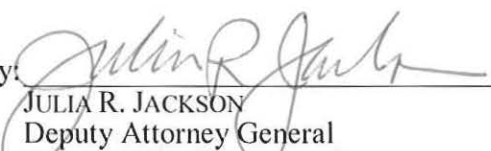
DATED: 10/2, 2018

DEPARTMENT OF FINANCE

By: 
JEFF BELL
Program Budget Manager
Department of Finance

DATED: Oct. 4, 2018

OFFICE OF THE ATTORNEY GENERAL

By: 
JULIA R. JACKSON
Deputy Attorney General
Attorneys for Intervenor Department of Finance

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The parties ratify the preceding terms and conditions through the signatures of their respective representatives, as follows:

DATED: 9/26/2018, 2018 ST. HOPE PUBLIC SCHOOLS

DocuSigned by:
By: Jake Mossawir
JAKE MOSSAWIR
CHIEF EXECUTIVE OFFICER
ST. HOPE PUBLIC SCHOOLS

DATED: 9/27, 2018

By: [Signature]
PAUL C. MINNEY
KEVIN TROY
LAW OFFICES OF YOUNG, MINNEY & CORR, LLP.
Attorney for Appellant St. HOPE Public Schools

DATED: _____, 2018 OFFICE OF THE STATE CONTROLLER

By: _____
JOHN DICKERSON
Attorney for Respondent Office of the State Controller

DATED: _____, 2018 DEPARTMENT OF FINANCE

By: _____
JEFF BELL
Program Budget Manager
Department of Finance

DATED: _____, 2018 OFFICE OF THE ATTORNEY GENERAL

By: _____
JULIA R. JACKSON
Deputy Attorney General
Attorneys for Intervenor Department of Finance

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The parties ratify the preceding terms and conditions through the signatures of their respective representatives, as follows:

DATED: _____, 2018 ST. HOPE PUBLIC SCHOOLS

By: _____
JAKE MOSSAWIR
CHIEF EXECUTIVE OFFICER
ST. HOPE PUBLIC SCHOOLS

DATED: 1/18 ²⁰¹⁹, 2018

By: _____
PAUL C. MINNEY
KEVIN TROY
LAW OFFICES OF YOUNG, MINNEY & CORR, LLP.
Attorney for Appellant St. HOPE Public Schools

DATED: 9-27, 2018

OFFICE OF THE STATE CONTROLLER
By: _____
JOHN DICKERSON
Attorney for Respondent Office of the State Controller

DATED: 10/2, 2018

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

DATED: Oct. 4, 2018

OFFICE OF THE ATTORNEY GENERAL
By: _____
JULIA R. JACKSON
Deputy Attorney General
Attorneys for Intervenor Department of Finance

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