

Minutes of the Education Audit Appeals Panel
Monday, February 25, 2019
915 L Street, Cedar Room
Sacramento

Call to Order and Roll Call

Chair Joel Montero called the meeting to order at 1:37 p.m.

Panel members present: Joel Montero, designee of the Fiscal Crisis and Management Assistance Team, Caryn Moore, designee of the Superintendent of Public Instruction (in lieu of Nick Schweizer) and Jennifer Whitaker, designee of the Director of the Department of Finance.

Approval of Minutes

Action: The Panel members unanimously approved minutes of the January 28, 2019 meeting.

Item 1	Report of the Executive Officer <ol style="list-style-type: none">1. Summary of appeal activities2. Appeals and Summary Review Caseload3. Other items of interest	Information
--------	---	-------------

Ms. Kelly reported that since the last meeting, no additional summary reviews have been filed and one determinations was made. The summary review request for San Francisco Unified School District was denied. The school district had not filed for a formal appeal, but was still within the 30-day deadline, as stated in their determination letter.

There were no additional formal appeals filed since the last meeting. The closed session agenda has three proposed settlements in the cases of St. Hope Public Schools, San Ysidro School District and Bonsall Unified School District.

Ms. Kelly informed the Panel that the Office of Administrative Law (OAL) approved the Emergency Regulations for the 2018-19 Supplemental Audit Guide on February 21, 2019 and filed them with the Secretary of State's Office, meeting the March 1st deadline. EAAP is awaiting the formal request from State Controller's Office (SCO) in order to present 2019-20 Audit Guide Regulations.

Mr. Morgan reminded the Panel of submitting the annual Form 700, which due by April 2, 2019. He recommends submitting it electronically; a paper copy is not required once it is submitted electronically. Mr. Montero advised of a fee if the form is submitted late.

Ms. Kelly spoke about the ongoing audit of EAAP's Purchasing Authority being conducted by the Department of General Services (DGS). She informed the Panel of the five-month duration of the audit and informed the Panel that only \$15,000 of EAAP's annual expenditures were subject to audit. Out of EAAP's total amount spent on contacts, approximately 88% comprised of interagency agreements and a lease for office space. From the remaining acquisitions, DGS selected 75% of them as to use as their sample size. The Panel expressed surprise that DGS would conduct a detailed audit on a small dollar amount.

Item 2	Public Participation This time is reserved for any person to address the Panel. If the subject is on the Public Session Agenda, individuals may comment now or at the time the item is considered. If the subject is not on the Public Session Agenda, the Panel is not empowered to take action on it. Public comment is limited to 3 minutes per speaker; the Panel may extend the limit by a uniform amount per speaker. No comment will be taken on matters at issue in items on the Closed Session Agenda, or on any pending adjudicatory proceeding.	Information
--------	---	-------------

There were no comments from the public.

Item 3	Legislation Report Discussion and action as appropriate regarding any legislation that may affect EAAP	Information Action
--------	--	-----------------------

Ms. Kelly reported that there was no legislation to discuss that will directly affect EAAP.

Item 7	Next Meeting March 25, 2019	Information Action
--------	---	-----------------------

The Public Session recessed at 2:03 p.m.

Closed Session

The Panel met in closed session from approximately 2:04 p.m. until 2:23 p.m.

Call to Order: Public Session

Mr. Montero recalled the public session to order at 2:24 p.m.

Closed Session Report:

Mr. Montero reported that in closed session, the Panel heard a comment related to pending litigation and unanimously approved the Stipulated Agreements of the parties in the matters of St. Hope Public Schools, EAAP Case 17-14, San Ysidro School District, EAAP Case 17-16 and Bonsall Unified School District, EAAP Case 17-18.

Adjournment

Mr. Montero adjourned the meeting at 2:25 p.m.