

Minutes of the Education Audit Appeals Panel

Monday, August 28, 2017
915 L Street, Cedar Room
Sacramento

Call to Order and Roll Call

Chair Joel Montero called the meeting to order at 1:33 p.m.

Panel members present: Joel Montero, designee of Fiscal Crisis and Management Assistance Team; Caryn Moore, designee of the Superintendent of Public Instruction and Jennifer Whitaker, designee of the Director of the Department of Finance.

Review of Agenda

Mr. Montero read the agenda items.

Approval of Minutes

Action: The Panel members unanimously approved minutes of the June 5, 2017 meeting.

Item 1	Report of the Executive Officer 1. Summary of appeal activities 2. Appeals and Summary Review Caseload 3. Other items of interest	Information
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Since the last meeting, eleven additional summary reviews have been filed. There were seven determinations made. Fallbrook Union High School District, Gateway Unified School District, North Cow Creek Elementary School, West Contra Costa Unified and San Bruno Park Elementary were denied.

The summary review requests for Academy of Arts and Sciences and El Centro Elementary School District were denied, these LEAs subsequently filed requests for formal appeal. The cases are currently pending at OAH.

Mr. Montero asked if there was a dollar threshold for summary reviews, he had concerns regarding the high dollar amount for the West Contra Costa case. Ms. Kelly informed him there is not a threshold dollar amount for filing summary reviews. In cases with such a substantial amount, even if a partial grant is issued, the amount is still so significant that a formal appeal will usually be filed.

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
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Ana Ferreira, with the School Energy Coalition, had a comment regarding Proposition 39. She was advised the subject will discussed in Item 4.

Item 3	Legislation Report Discussion and action as appropriate regarding any legislation that may affect EAAP	Information Action
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Ms. Kelly reported that there was no legislation to discuss that will directly affect EAAP.

Item 4	Permanent Regulations: 2017-18 Annual Audit Guide No comments were received during the 45-day notice period, which ended July 31, 2017. Take action as appropriate to adopt or amend the proposed regulations.	Information Action
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Ana Ferreira had a question regarding California Clean Energy Jobs Act, item number 7. Regarding expenditures, she wanted to know whether an incomplete project should be included in the school’s annual audit. She stated that once a project is completed, there is a 12-15 month time period before final reports go to the California Energy Commission. She wanted to know when these projects would be included in the annual audits.

Mr. Montero stated that the annual audits will be on-going, and that projects should be included in the annual audits from the time the project begins until it is closed. It will be the responsibility of the auditors to ask if the school is currently involved in a project and to follow up on the status of the project.

Regarding the Audit Guide, Ms. Whitaker followed up on the use of the words “Students” and “Pupils”, these previously were being used interchangeably. Ms. Kelly informed her it was corrected and will also look into correcting the insistencies regarding the use of “Local Education Agencies” instead of the acronym “LEA”.

Ms. Kelly asked whether the panel would like to discuss each amendment in the proposed annual 2017-18 Audit Guide. Ms. Kelly informed the panel that the amendments had not changed since the June 5, 2017 discussion. The panel members replied that they had reviewed the amendments and no further discussion was necessary.

Action: By unanimous vote, the Panel adopted the 2017-18 Annual Audit Guide.

Item 5	Next Meeting September 25, 2017	Information Action
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The Public Session recessed at 1:54 p.m.

Closed Session

The Panel met in Closed Session from approximately 1:54 p.m. until 2:10 p.m.

Call to Order: Public Session

Mr. Montero recalled the Public Session to order at 2:10 p.m.

Closed Session Report:

Mr. Montero reported that in closed session, the panel discussed Options for Youth and Opportunities for Learning litigation. In addition, the Panel had unanimously approved the Stipulated Agreement of the parties in the Camino Union School District matter, EAAP Case No. 16-06.

Adjournment

Mr. Montero adjourned the meeting at 2:11 p.m.