

Minutes of the Education Audit Appeals Panel

Monday, September 24, 2018

915 L Street, Cedar Room

Sacramento

Call to Order and Roll Call

Chair Joel Montero called the meeting to order at 1:32 p.m.

Panel members present: Joel Montero, designee of the Fiscal Crisis and Management Assistance Team; Nick Schweizer, 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 4, 2018 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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Ms. Kelly reported that since the last meeting, five additional summary reviews have been filed and six determinations were made. Relief was granted in the cases of Mount Pleasant School District, Solvang Elementary School District and Learning Works Charter School. The summary review requests for Chico Unified School District, Moorpark Unified School District and Escuela Popular were denied. Elverta Joint Elementary School District withdrew their request for summary review. The remaining requests are pending review.

There were no formal appeals filed since the last meeting. The closed session agenda has a proposed settlement in the case of Acton-Agua Dulce Unified School District.

Mr. Montero asked if EAAP staff had a role in audit guide training with the Office of Public School Construction (OPSC). Ms. Kelly stated that EAAP will present training information regarding appeals. She will attend the four training sessions scheduled for Santa Clara, Fresno Los Angeles and Sacramento. The Sacramento workshop will also be conducted as a webinar. The Department of Education (CDE) will also have materials to present.

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

Item 4	Permanent Regulations: 2018-19 Annual Audit Guide The 45-day notice period ended September 17, 2018. Take action as appropriate to adopt or amend the proposed regulations.	Information Action
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Previously, the panel authorized staff to begin the rulemaking process for the 2018-19 Annual Audit Guide and adopted the proposed Emergency Rulemaking Regulations for the 2018-19 Audit Guide. The panel can now take action as appropriate to adopt or amend the proposed regulations. Ms. Kelly informed the Panel that the text of the proposed emergency and permanent regulations is nearly identical, save for minor technical changes.

No comments were received during the 45-day notice period, which ended September 17, 2018. The Office of Administrative Law advised Ms. Kelly that the deadline for comments is at midnight rather than the close of business.

Action: The Panel adopted the proposed Permanent Rulemaking Regulations for the 2018-19 Audit Guide.

Ms. Kelly mentioned San Ysidro Elementary School District, EAAP Case 17-16. The panel previously chose to defer action in this case due to an issue in the Stipulated Agreement. Workgroup meetings occurred with staff from EAAP, CDE and Department of Finance (DOF) to ensure verbiage that will allow CDE to be able to make settlement adjustments. DOF will now work with San Ysidro to create a new Stipulated Agreement. It will be an agenda item for a future meeting.

Item 5	Next Meeting October 29, 2018	Information Action
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The Public Session recessed at 1:47 p.m.

Closed Session

The Panel met in closed session from approximately 1:48 p.m. until 1:54 p.m.

Call to Order: Public Session

Mr. Montero recalled the public session to order at 1:55 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 Agreement of the parties in the matter Acton-Agua Dulce Unified School District, EAAP Case 17-06.

Adjournment

Mr. Montero adjourned the meeting at 1:55 p.m.