

Minutes of the Education Audit Appeals Panel

Monday, November 28, 2022

Teams Conference Call

Sacramento

Call to Order and Roll Call

Cheryl McCormick called the meeting to order at 1:31 p.m.

Panel members present: Cheryl McCormick, designee of the Director of the Department of Finance and Elizabeth Dearstyne, designee of the Superintendent of Public Instruction.

Approval of Minutes

Action: The minutes of the July 25, 2022 meeting were approved.

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, eleven new summary reviews were filed and six determinations were made. Bishop Unified School District, Wildflower Open Classroom, Francophone Charter School of Oakland, Placerville Union Elementary, Pioneer Union Elementary, Gold Oak Union Elementary, Rialto Unified School District, Cutler-Orosi Joint Unified School District, Meridian Elementary, Julian Union School District and Newark Unified all filed for summary review. Many of the cases were Instructional Time findings, this was to due audit guide changes regarding Covid-19. The summary review request for Bishop Unified School District was denied and the school requested a formal appeal. Relief was fully granted in the cases of: Placerville Union Elementary, Pioneer Union Elementary, Gold Oak Union Elementary, Rialto Unified School District and Meridian Elementary.

There was one additional formal appeal filed was since the last meeting, as previously mentioned the summary review request for Bishop Unified School District was denied and the school requested a formal appeal. Conservatory of Vocal and Instrumental Arts High is currently pending; SCO staff changes caused a delay on the case.

EAAP underwent a review from the California Legislative Analyst's Office (LAO) regarding information security compliance; it is a requirement for all non-reporting entities. EAAP is awaiting LAO's report of the review and anticipates it will available by April 2023.

EAAP established a telework policy, which was approved by Department of General Services (DGS). Currently working on complying with the monthly reporting requirements. By October 1, 2022, all state departments were required to have a telework policy that was approved by the DGS.

EAAP's yearly budget is currently under review at DOF. EAAP is close to completing the 2023-24 budget submittal and anticipates a budget similar to past years.

EAAP staff has been attending SCO's audit work group meetings for the 2022-23 Supplemental Audit Guide and the 2023-24 Annual Audit Guide. Staff will continue working with SCO, in order to gather information and meet the March 1, 2023 deadline for the 2022-23 Supplemental Audit Guide.

Item 2	<p>Public Participation</p> <p>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.</p> <p>No comment will be taken on matters at issue in items on the Closed Session Agenda, or on any pending adjudicatory proceeding.</p>	Information
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Bryan Scott, *member of the Brentwood Union School District Measure-B Citizens' Oversight Committee*, made comments regarding Item 4, Audit Guide Appendices A, B, C.

Item 3	<p>EAAP Rulemaking Calendar</p> <p>Approve the rulemaking calendars for 2023</p>	Information Action
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Government Code requires state agencies to prepare a rulemaking calendar by February 14th of that year. EAAP received an extension since there was no meeting that would enable us to meet that deadline. The Office of Administrative Law (OAL) collects and compiles the agencies rulemaking calendars into one calendar. These calendars, Schedule A and B, follow the template prescribed by OAL. The rulemaking calendars require Panel review and approval.

EAAP estimates that the 2022-23 Supplemental Audit Guide will be noticed to the public on February 28th, 2023; the projected adoption date would be on April 24, 2024. The 2023-24 Annual Audit Guide is required to be in place by July 1, 2023; the projected adoption date would be on June 26, 2023.

Action: The Panel members unanimously approved the rulemaking calendars for 2023.

Item 4	<p>Update & Discussion on Audit Guide</p> <p>Appendices A, B, C</p>	Information Action
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Ms. Kelly spoke on the audit guide workgroup and their process. SCO conducts the workgroup meetings and receives information from Department of Education and Office of Public School Construction regarding potential audit guide changes. Afterwards, SCO makes necessary adjustments and submits it to EAAP staff for review. EAAP staff then submits the Guide to the Panel for any requested changes and then starts the rulemaking process.

In 2015-16, appendices were added to the audit guide to deal with the audits of facilities projects. Any changes to those appendices require OAL approval. EAAP has had recent discussions with SCO regarding these appendices, to try to develop two processes which would make it more streamlined. Based on the cumbersome nature of the appendices, it may be beneficial to separate the issues and have two different workgroups. Discussions will continue with SCO, which will not make any change until September 2023.

Bryan Scott, member of the Brentwood Union School District Measure-B Citizens' Oversight Committee, had a comment regarding Appendix A. Mr. Scott previously submitted written comment to the panel, he stated that the performance audits are not being implemented at a local level. The audits are required by in the enabling legislation for Prop 39 local school construction project. Mr. Scott believes improvements could be made to Appendix A, in order to achieve better compliance to school districts throughout the state. Ms. Kelly let him know his written comments were distributed to the panel and the staff will continue working with SCO to incorporate comments in the process.

No action was taken.

Item 5	Next Meeting December 19, 2023	Information Action
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Ms. Dearstyne will not be available for the tentative January 2023 Panel Meeting, so it was moved to January 30, 2023.

Adjournment

Ms. Kelly adjourned the meeting at 2:05p.m.