

Minutes of the Education Audit Appeals Panel

Monday, July 25, 2022
Teams Conference Call
Sacramento

Call to Order and Roll Call

Joel Montero called the meeting to order at 1:30 p.m.

Panel members present: Joel Montero, designee of the Fiscal Crisis and Management Assistance Team, 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 May 23, 2022 meeting were approved.

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

Ms. Kelly reported that since the last meeting, one new summary review was filed and one determination was made. Cuyama Joint Unified filed for summary review on July 19, 2022. Contra Costa County Office of Education's request was denied. The case of Ingenium Clarion Charter Middle is currently pending and expecting an auditor revision.

The State Controller's Office (SCO) is currently undergoing delays with accepting audit reports for FY 2020-21. Raquel Tucker from Department of Education (CDE) provided EAAP with a list of 14 LEAs who may request a summary review once certifications have been issued.

There were no additional formal appeals filed since the last meeting. Conservatory of Vocal and Instrumental Arts High is currently awaiting SCO to assign an attorney to the case.

SCO's Program Audit of the Prop 39 California Clean Energy Jobs Act was released on June 30, 2022. Two LEAs sole-sourced a portion of their project costs, Banta Unified School District and Bishop Unified School District. Their deadline to file a summary review request is approaching.

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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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 was informed by R. Tucker of upcoming changes in Education Code, changes related to Educator Effectiveness, Expanded Learning Opportunities Grant and Independent Study. EAAP and Ms. Tucker anticipate these changes will result in supplements to the 2022-23 Audit guide.

Item 4	<i>Permanent Supplemental Regulations: 2021-22 Audit Guide</i> Take action as appropriate to adopt or amend the proposed regulations.	Information Action
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The proposed Permanent Supplemental Regulations: 2021-22 Audit Guide includes the following changes:

Ms. Kelly asked the Panel whether they were comfortable with her only discussing the changes that came from suggestions from Eric Premack and the modified text from CDE. The panel agreed to this approach.

Y. Independent Study – Course Based Page 33, sub-paragraph c. The language “and holds the appropriate subject matter credential.” is replaced with “pursuant to Education Code section 51749.5(a)(3).”

BZ. Expanded Learning Opportunities Grant Page 39, sub-paragraph 2. Mr. Premack believed it had restrictive language in the audit step using the term “used for”. It is amended to delete the term.

BB. Mode of Instruction Page 43. Mr. Premack believed it had restrictive language and inconsistent with Education Code section 47605.4. CDE suggested adding Education Code section 47605.4 as it would address Mr. Premack concerns and requests.

Mr. Montero had questions regarding the formatting of the Audit Guide. Ms. Kelly assured him that changes will be made before being submitted to the Office of Administrative Law (OAL). Underline text will only be on the newly proposed changes.

Action: The Panel members unanimously adopted the proposed Permanent Supplemental Rulemaking Regulations

Item 5	Next Meeting August 22, 2022	Information Action
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The 2022-23 Audit Guide will not have a permanent rulemaking package. Ms. Kelly does not anticipate any additional rulemaking activities until 2023.

EAAP received additional information in the matter of California Virtual Academies and Insight Schools of California, EAAP Case 17-20 and will need to meet in closed session.

The Public Session recessed at 1:53p.m.

Members of the public disconnected from the Teams conference call and EAAP staff and Panel members went into closed session. EAAP staff and Panel members met in closed session until 2:06 p.m.

Closed Session Report:

In closed session, the Panel heard a comment related to pending litigation in the matter of California Virtual Academies and Insight Schools of California, EAAP Case 17-20.

Thereafter, there being no public participants in contact, the meeting was adjourned.