

**Education Audit Appeals Panel
State of California**

Appeal of: 2021-2022 Audit Finding
2022-004 by:

Lakeside Joint School District,

Appellant.

EAAP Case No. 23-09

OAH No. 2023080582

Decision

The Education Audit Appeals Panel has adopted the attached Stipulated Agreement of the parties as its Decision in the above-entitled matter.

Effective date: January 29, 2024.

IT IS SO ORDERED.

1/29/24
Date

Cheryl McCormick
Cheryl McCormick,
Education Audit Appeals Panel

1 HARPREET K. NAKHWAL, SBN 286901
2 KYNSIE M. LOVELL, SBN 325732
3 **OFFICE OF THE STATE CONTROLLER**
4 300 Capitol Mall, Suite 1850
5 Sacramento, CA 95814
6 Telephone: (916) 445-2636
7 Facsimile: (916) 322-1220

8 Attorneys for Respondent,
9 MALIA M. COHEN, California State Controller

10 **BEFORE THE EDUCATION AUDIT APPEALS PANEL**
11 **FOR THE STATE OF CALIFORNIA**

12 In the Matter of the Audit Appeal of:) EAAP Case No. 23-09
13 2021-2022 Audit Finding 2022-004 by:) OAH Case No. 2023080582
14 LAKESIDE JOINT SCHOOL DISTRICT,) **STIPULATION AND SETTLEMENT**
15 Appellant) **AGREEMENT**
16 vs.)
17 OFFICE OF THE STATE CONTROLLER)
18 Respondent,)
19 DEPARTMENT OF FINANCE,)
20 Respondent)

21 Appellant LAKESIDE JOINT SCHOOL DISTRICT (Appellant), Respondent MALIA
22 M. COHEN CALIFORNIA STATE CONTROLLER (SCO), and Respondent DEPARTMENT
23 OF FINANCE (Finance) (collectively known as “the Parties”) agree to a complete settlement of
24 the above-captioned matters as follows:

25 RECITALS

- 26 A. The independent accounting firm of Moss, Levy & Hartzheim LLP (Auditor) conducted
27 an audit of the appellant for the 2021-2022 fiscal year the results of which were included
28 in the audit report issued on or about June 30, 2022.
- B. In Audit Finding 2022-004, the Auditor determined that the Appellant was not in
compliance with Education Code section 41402, subdivision (a), which requires that, for

1 elementary schools, the maximum ratio of administrative employees to teachers is nine
2 (9) administrative employees to each 100 teachers.

3 C. The Auditor determined that the Appellant was one (1) administrative employee over the
4 maximum allowed ratio in contravention of Education Code section 41402, subdivision
5 (a). This resulted in an overstatement in the amount of apportionment the Appellant
6 claimed from the State in the amount of \$14,227.

7 D. The SCO certified the audit.

8 E. The Appellant timely filed a request for formal appeal of its portion of Audit Finding
9 2022-004 pursuant to Education Code section 41344, subdivision (d) instituting this
10 appeal before the Education Audit Appeals Panel (EAAP).

11 F. In order to avoid the cost and uncertainty of litigation, the Parties to this case agree to
12 resolve this dispute on the terms and conditions described below.

13 AGREEMENT

14 For the purpose of completely settling and resolving the appeal of Audit Finding 2022-004,
15 the Parties agree as set forth below:

16 1. This stipulated agreement fully and completely resolves all claims, demands, appeals,
17 obligations, or causes of actions arising from or relating to Audit Finding 2022-004.

18 Accordingly, the Parties expressly waive any right or claim to assert or pursue thereafter
19 any claim, demand, obligation, and/or cause of action relating to Audit Finding 2022-004.

20 2. The Appellant shall repay in full satisfaction of Audit Finding 2022-004 from its future
21 apportionments the sum of \$14,227 in equal installments over a period of eight (8) years,
22 with no interest, commencing with the 2023-2024 school year.

23 3. Nothing in this Stipulated Agreement prohibits Appellant from satisfying the sum owed
24 in less time than provided in Paragraph 2 of this Stipulated Agreement.

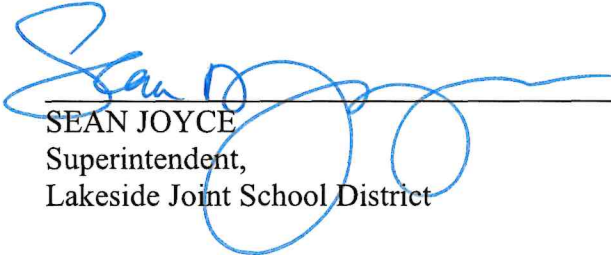
25 4. This Stipulated Agreement is subject to and conditioned upon approval and adoption by
26 EAAP, pursuant to Education Code section 41344.1, subdivision (b).

- 1 5. This Stipulated Agreement may be executed in counterparts, each of which shall
2 constitute an original. Facsimile and PDF signatures transmitted to other parties to this
3 Stipulated Agreement are deemed to be the equivalent of original signatures.
4 6. The parties shall be responsible for their own attorneys' fees and costs relative to the
5 Appeal.

6
7 Dated: Nov 28, 2023

LAKESIDE JOINT SCHOOL DISTRICT

8
9 By:



SEAN JOYCE
Superintendent,
Lakeside Joint School District

10
11
12 Dated: _____, 2023

DEPARTMENT OF FINANCE

13
14 By:

CHRIS FERGUSON
Program Budget Manager,
Department of Finance

15
16
17 Dated: _____, 2023

OFFICE OF THE STATE CONTROLLER

18
19 By:

KYNSIE M. LOVELL
Staff Counsel for Respondent,
MALIA M. COHEN, California State Controller

20
21
22 *AS TO FORM ONLY*

23
24 Dated: _____, 2023

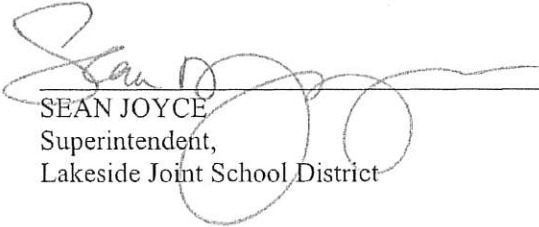
OFFICE OF THE ATTORNEY GENERAL

25
26 By:

MAUREEN ONYEAGBAKO
Supervising Deputy Attorney General,
Attorney for Department of Finance

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6
7 Dated: Nov 28, 2023 LAKESIDE JOINT SCHOOL DISTRICT

8
9 By: 
10 SEAN JOYCE
11 Superintendent,
12 Lakeside Joint School District

13 Dated: 11/28, 2023 DEPARTMENT OF FINANCE

14 By: 
15 CHRIS FERGUSON
16 Program Budget Manager,
17 Department of Finance

18 Dated: _____, 2023 OFFICE OF THE STATE CONTROLLER

19 By: _____
20 KYNSIE M. LOVELL
21 Staff Counsel for Respondent,
22 MALIA M. COHEN, California State Controller

23 *AS TO FORM ONLY*

24 Dated: _____, 2023 OFFICE OF THE ATTORNEY GENERAL

25 By: _____
26 MAUREEN ONYEAGBAKO
27 Supervising Deputy Attorney General,
28 Attorney for Department of Finance

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4 6. The parties shall be responsible for their own attorneys' fees and costs relative to the
5 Appeal.

6
7 Dated: _____, 2023 LAKESIDE JOINT SCHOOL DISTRICT

8
9 By: _____
10 SEAN JOYCE
11 Superintendent,
12 Lakeside Joint School District

13 Dated: _____, 2023 DEPARTMENT OF FINANCE


14 By: _____
15 CHRIS FERGUSON
16 Program Budget Manager,
17 Department of Finance

18 Dated: _____, 2023 OFFICE OF THE STATE CONTROLLER

19 By: _____
20 KYNSIE M. LOVELL
21 Staff Counsel for Respondent,
22 MALIA M. COHEN, California State Controller

23 *AS TO FORM ONLY*

24 Dated: November 30, 2023 OFFICE OF THE ATTORNEY GENERAL

25 By:  _____
26 MAUREEN ONYEABAKO
27 Supervising Deputy Attorney General,
28 Attorney for Department of Finance

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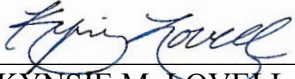
6
7 Dated: _____, 2023 LAKESIDE JOINT SCHOOL DISTRICT

8
9 By: _____
10 SEAN JOYCE
11 Superintendent,
12 Lakeside Joint School District

13 Dated: _____, 2023 DEPARTMENT OF FINANCE

14 By: _____
15 CHRIS FERGUSON
16 Program Budget Manager,
17 Department of Finance

18 Dated: December 12, 2023 OFFICE OF THE STATE CONTROLLER

19 By: 
20 KYNSIE M. LOVELL
21 Staff Counsel for Respondent,
22 MALIA M. COHEN, California State Controller

23 *AS TO FORM ONLY*

24 Dated: _____, 2023 OFFICE OF THE ATTORNEY GENERAL

25 By: _____
26 MAUREEN ONYEAGBAKO
27 Supervising Deputy Attorney General,
28 Attorney for Department of Finance