



Education Audit Appeals Panel

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eaap.ca.gov

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Chairperson
designee of the Fiscal Crisis &
Management Assistance Team

Cheryl McCormick
designee of the Director of Finance

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designee of the Superintendent
of Public Instruction

Mary C. Kelly
Executive Officer

Notice of Proposed Emergency Regulations

Audits of K-12 Local Education Agencies – Fiscal Year 2024-25

Education Code Section 14502.1 requires the Controller, in consultation with the Department of Finance, the State Department of Education, and representatives of specified organizations, to propose the content of a guide for the required annual financial and compliance audits of school districts, offices of county superintendents of schools, and other local education agencies including charter schools. Section 14502.1 further requires the Controller to submit the proposed audit guide to the Education Audit Appeals Panel (EAAP) for review and possible amendment. The Panel is then to adopt the audit guide, pursuant to the rulemaking procedures of the Administrative Procedure Act, by July 1 of the fiscal year to be audited (and any supplement, as authorized, before March 1 of the audit year). EAAP has statutory authority to use the emergency regulations process to meet these deadlines (Educ. Code § 14502.1(b)).

Pursuant to the requirements of Government Code Section 11346.1(a)(2), EAAP is providing notice to every person who has filed a request for notice of regulatory action with EAAP, of proposed *emergency* regulations to revise the audit guide as of July 1, 2024, for the performance of the audits required by Education Code Section 41020 for the 2024-25 fiscal year. The proposed emergency regulations, audit guide (incorporated by reference in Section 19810) and Finding of Emergency are enclosed. You may also view this Notice, the proposed emergency regulations text, the audit guide, and the finding of emergency online at <http://www.eaap.ca.gov>.

Written Public Comment

The proposed emergency regulations will be filed with the Office of Administrative Law (OAL) not earlier than five *working* days after the mailing of this Notice. The period for submitting written public comments to OAL will end five *calendar* days later. Therefore, in order for OAL to consider comments, the comments must be *received* by OAL **by June 18, 2024**.

If you have comments regarding the proposed changes that you would like OAL to consider, you must submit those comments *in writing* to OAL and to EAAP at the addresses below. You must *specify the topic* of the emergency regulations (Audits of K-12 Local Education Agencies – Fiscal Year 2024-25). To facilitate review by OAL, please indicate to which section(s) and paragraph(s) your comments pertain.

In the enclosed regulations text, which was adopted by the Panel at its May 20, 2024, meeting, EAAP has illustrated proposed changes to the audit guide in the following manner: regulation

language newly proposed is underlined; proposed deletions are marked using a “~~single~~ ~~strikeout~~.”

Any written comments must be *received* by OAL **by June 18, 2024**, addressed to:

OAL Reference Attorney
Office of Administrative Law
300 Capitol Mall, Suite 1250
Sacramento, California 95814-4339
(Fax: (916) 323-6826; e-mail: staff@oal.ca.gov)
Re: Emergency Topic: Audits of K-12 Local Education Agencies – Fiscal Year 2024-25

Send a copy of any comments made to OAL to EAAP, addressed to:

Martin Vazquez, Regulations Coordinator
Education Audit Appeals Panel
770 L Street, Suite 1100
Sacramento, CA 95814
(e-mail: mvazquez@eaap.ca.gov)

Permanent Regulations

Once approved by OAL and filed with the Secretary of State (on or about June 24, 2024), the *emergency* regulations will remain in effect until either replaced by permanent regulations or superseded by a revised guide.

Contact Persons:

Inquiries concerning the substance of the proposed action may be directed to Timothy Morgan, Staff Attorney, at tmorgan@eaap.ca.gov. The back-up contact person for general inquiries is Mary C. Kelly, Executive Officer, at mkelly@eaap.ca.gov.

Enclosures: Finding of Emergency, including Informative Digest;
Text of proposed emergency audit guide regulations for the 2024-25 fiscal year.