

**Education Audit Appeals Panel
State of California**

Appeal of Audit Finding 2023-001 by:

Dinuba Unified School District,

Appellant.

EAAP Case No. 24-60

OAH No. 2025030320

Decision

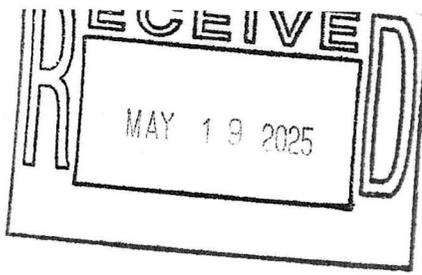
The Education Audit Appeals Panel has adopted the attached Stipulated Agreement of the parties as its Decision in the above-entitled matter.

Effective date: June 17, 2025.

IT IS SO ORDERED.

6/17/25
Date

for Cheryl McCormick
Joel Montero, Chairperson
for Education Audit Appeals Panel



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ROB BONTA
Attorney General of California
ANJANA N. GUNN
Supervising Deputy Attorney General
ANGELA ATWAL
Deputy Attorney General
State Bar No. 345060
2550 Mariposa Mall, Room 5090
Fresno, CA 93721-2271
Telephone: (559) 705-2333
Fax: (559) 445-4106
E-mail: Angela.Atwal@doj.ca.gov
*Attorneys for Respondent
Department of Finance*

BEFORE THE EDUCATION AUDIT APPEALS PANEL
STATE OF CALIFORNIA

In the Matter of the Audit Appeal of:
**2022-2023 Audit Finding 2023-001 by Dinuba
Unified School District,**
Appellant..

OAH Case No. 2025030320
SETTLEMENT AGREEMENT

Appellant Dinuba Unified School District (Appellant), and respondent the Department of Finance (collectively, Parties), agree to a complete settlement of the above-captioned matters as follows:

RECITALS

A. The independent accounting firm of Christy White (Auditor) conducted an annual financial compliance audit of Appellant for the 2022-2023 fiscal year, the results of which were included in the final independent auditor's report issued on or about December 12, 2023.

B. In Audit Finding 2023-001, the Auditor determined that Appellant was not in compliance with California Education Code section 41480. Pursuant to this section, as a condition of receiving funds, a school district shall ensure that none of their local educational agency employees are charged a fee for services allowable during the grant period. The 2022-23 audit

1 report found that Appellant's employees were charged a fee for services that are allowable during
2 the Educator Effectiveness grant period. Specifically, employees were charged a fee for
3 participation in the Teacher Induction Program. As a result, the Auditor determined that
4 Appellant was not in compliance with the California Education Code section 41480 and
5 concluded that Appellant was subject to a penalty in the amount of \$1,390,432.00.

6 C. The State Controller's Office certified the subject audit.

7 D. Appellant filed a timely request for formal appeal of Audit Finding 2023-001
8 pursuant to Education Code section 41344, subdivision (d) instituting this appeal (Appeal) before
9 the Education Audit Appeals Panel (EAAP).

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

12 AGREEMENT

13 For the purpose of completely settling and resolving the Appeal, the Parties, without any
14 admission of liability or wrongdoing, except as provided in section 1 herein, and in furtherance
15 thereof, do 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 2023-001.

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 2023-
20 001.

21 2. The Appellant shall have nothing withheld from its future apportionment in regard to
22 Audit Finding 2023-001.

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

25 4. This Stipulated Agreement may be executed in counterparts, each of which shall
26 constitute an original. Facsimile and PDF signatures transmitted to other parties to this
27 Stipulated Agreement are deemed to be the equivalent original signatures.

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

Dated: May 15, 2025

Diruba Unified School District
By: Rachel Nunez
Rachel Nunez
Chief Business Official
Appellant

Dated: May 15, 2025

California Department of Finance
By: Jessica Holmes
Jessica Holmes
Program Budget Manager
*California Department of Finance,
Respondent*

APPROVED AS TO FORM ONLY:

Dated: May 15, 2025

Office of the Attorney General
By: Angela Atwal
Angela Atwal
Deputy Attorney General
*Attorney for Respondent, California
Department of Finance*

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DECLARATION OF SERVICE BY U.S. MAIL

Case Name: ***Dinuba Unified School District, EAAP Audit Appeal 24-60***
No.: **2025030320**

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter.

On May 15, 2025, I served the attached **SETTLEMENT AGREEMENT** by placing a true copy thereof enclosed in a sealed envelope in the internal mail collection system at the Office of the Attorney General at 2550 Mariposa Mall, Room 5090, Fresno, CA 93721-2271, addressed as follows:

Office of Administrative Hearings
<https://www.applications.dgs.ca.gov/OAH/OAHSFTWeb/UPloads>

Education Audit Appeals Panel
c/o Timothy E. Morgan, Staff Counsel
770 L Street, Suite 1100
Sacramento, CA 95814

Rachel Nunez, Chief Business Official
Dinuba Unified School District
Administration Office
1327 East El Monte Way
Dinuba, CA 93618

I declare under penalty of perjury under the laws of the State of California and the United States of America the foregoing is true and correct and that this declaration was executed on May 15, 2025, at Fresno, California.

V. Pampenelli
Declarant

/s/ V. Pampenelli
Signature