

**Education Audit Appeals Panel
State of California**

Appeal Request of Audit Finding 2022-004 by:
Weed Union Elementary School District,
Appellant.

EAAP Case No. 24-58
OAH Case No. 2025050337

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: September 22, 2025.

IT IS SO ORDERED.

9/22/2025
Date

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

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8 BEFORE THE EDUCATION AUDIT APPEALS PANEL
9 STATE OF CALIFORNIA, SACRAMENTO
10

11 **In the Matter of the Audit Appeal of:**
12 **Fiscal Year 2021-22 Audit Finding 2022-004**
13 **by Weed Union Elementary,**
14 **Appellant,**
15 **v.**
16 **California State Controller, California**
17 **Department of Finance,**
18 **Respondents.**
19

Case No. 2025050337

EAAP Case No. 24-58

**JOINT STIPULATION AND
SETTLEMENT AGREEMENT**

20 Appellant Weed Union Elementary School (Appellant), and Respondents Malia M.
21 Cohen, California State Controller (SCO), and the Department of Finance (Finance) (collectively,
22 the Parties), through their undersigned counsel, hereby agree to a complete settlement of the
23 above-captioned matter as follows:

24 **RECITALS**

25 A. The independent accounting firm of Robertson & Associates, CPAs (Auditor)
26 conducted an annual financial compliance audit of the Weed Union Elementary School (District)
27 for the fiscal year ending on June 30, 2022, the results of which were included in the final
28 independent auditor's report, dated August 27, 2024.

1 B. In Audit Finding 2022-004, the Auditor determined that the school did not have
2 sufficient evidence to prove that it was in compliance with Education Code section 46300, which
3 requires that independent study pupils must comply with all statutory and regulatory conditions of
4 apportionment while enrolled in a district's school. The audit report stated that the auditor was
5 "unable to obtain evidence of the approval from Board documents such as an agenda or minutes"
6 for the Weed Union adoption of an independent study policy. As a result, the Auditor concluded
7 that such conditions resulted in a penalty of in the amount of \$129,982.49.

8 C. The SCO certified the audit.

9 D. Appellant timely filed a request for formal appeal of Audit Finding 2022-004
10 pursuant to Education Code 41344, subdivision (d), on May 9, 2025, instituting the Appeal before
11 the Education Audit Appeals Panel.

12 E. To avoid the cost and uncertainty of litigation, the Parties in this case agree to
13 completely resolve this dispute on the terms and conditions described below.

14 **STIPULATION AND AGREEMENT**

15 For the purposes of completely settling and resolving the Appeal, the Parties do hereby
16 stipulate and agree as follows:

17 1. This stipulated agreement fully and completely resolves all claims, demands,
18 appeals, obligations, or causes of action arising from or relating to Audit Finding 2022-004.
19 Accordingly, the Parties expressly waive any right or claim to assert or pursue thereafter any
20 claim, demand, obligation, and/or cause of action relating to Audit Finding 2022-004.

21 2. Appellant shall have nothing withheld from its future apportionment in regard to
22 Audit Finding 2022-004.

23 3. This stipulated agreement is subject to and conditioned upon approval and
24 adoption by Education Audit Appeals Panel, pursuant to section 413441, subdivision (b), of the
25 Education Code.

26 4. This stipulated agreement may be executed in counterparts, each of which shall
27 constitute an original. Facsimile and .pdf (electronic) signatures by the Parties and/or their
28 designated representatives are deemed the equivalent of original signatures.

1 5. The Parties shall bear their own attorneys' fees and costs relative to the Appeal.
2 The Parties ratify the preceding terms and conditions through the signatures of their respective
3 representatives as follows:

4 Dated: August 4, 2025

Standard Elementary School District
By: [Signature]
Jon Ray
Superintendent
Weed Union Elementary School District,
Appellant

8 Dated: August 7, 2025

California Office of the State Controller
By: [Signature]
Ethan F. Jaffe
Staff Counsel
California State Controller, Respondent

11 Dated: August 1, 2025

California Department of Finance
By: [Signature]
Jessica Holmes
Program Budget Manager
California Department of Finance,
Respondent

16 APPROVED AS TO FORM ONLY:

17 Dated: August 1, 2025

Office of the Attorney General
By: [Signature]
Colin Schoell
Deputy Attorney General
Attorney for Respondent, California
Department of Finance