

Minutes of the Education Audit Appeals Panel

Wednesday, May 19, 2025
915 L Street, Cedar Room
Sacramento

Call to Order and Roll Call

Elizabeth Dearstyne called the meeting to order at 1:38 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 February 24, 2025 meeting were approved.

Item 1	Report of the Executive Officer	Information
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Ms. Kelly reported that since the last meeting, three new formal appeals were filed. Mt. Diablo Unified, Anaheim Union High School District and Weed Elementary School all filed. Happy Camp Union Elementary is on the Closed Session Agenda. EAAP received a Settlement Agreement from Chino Unified School District and it will be on the agenda for the June 2025 Panel Meeting.

Since the last meeting, three new summary reviews were filed, Santa Paula Unified, Campbell Union High School District and Graves Elementary School District. There were six determinations made on summary reviews since the last meeting. Northern Humboldt Union High School District was granted, they had a 2022-23 independent study finding. Weed Elementary was denied in summary review and filed for formal appeal. Yreka Union School District had a 2022-23 independent study finding, their case was denied. Los Angeles Unified School District had a finding regarding transitional kindergarten, their case was partially granted. Butte Valley Unified School District had a finding related to Ratio of Administrative Employees to Teachers, their case was fully granted. Greenfield Union Elementary had a finding related to Ratio of Administrative Employees to Teachers, their case was fully granted. There were three additional summary reviews that were filed after the meeting was noticed. Those will be reflected on June 2025 summary review caseload report.

Item 2	Public Participation	Information
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No public comments were made.

Item 3	Legislation Report Discussion and action as appropriate regarding any legislation that may affect EAAP	Information Action
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Mr. Morgan spoke on three bills that EAAP staff are currently following, all dealing with charter schools. Assembly Bill 84 covers a substantial number of the recommendations of the Charter School Task Force, such as requiring the charter school authorizer to make inquiries and have a representative attend a charter school board meeting. Assembly Bill 84 also has language on sampling concepts, when audit risk needs to be considered beyond what is in the audit guide, and establishing an example audit report for guidance. Language that would require attendance confirmations is still being considered as are changes affecting the funding determinations and related party disclosures.

Senate Bill 414 deals with standards for auditors, particularly charter school auditors, including additional training requirements for charter school auditors. It also states the auditor must independently make sample selections and includes a requirement for listing the school's 25 greatest payments or money transfers. A provision for the legislative analysis to compare what is going on in other states has been deleted.

Senate Bill 719 has not changed since the April 2, 2025 meeting, where it was last discussed. Assembly Bill 1062 which has to do with the limits on charter school concentrated grants has also not changed. Assembly Bill 1348 has a provision for adjusting ADA in the event students are missing classes because of immigration activity.

Mr. Morgan stated that EAAP would continue to follow the bills.

Item 5	Next Meeting June 23, 2025	Information Action
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Due to staff availability, the Panel and EAAP staff agreed to move the meeting to Tuesday, June 17, 2025.

Adjournment

Ms. Dearstyne adjourned the meeting at 1:54 p.m.

Closed Session Report:

In closed session, the Panel unanimously approved the Stipulated Agreement of the parties in the matter of Happy Camp Union Elementary, EAAP Case 23-24.