

**Education Audit Appeals Panel
State of California**

Audit Appeal of Audit Finding 2024-001
by:

Kit Carson Union Elementary School
District,

Appellant.

EAAP Case No. 26-05
OAH Case No. 2026030382

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: August 24, 2026.

IT IS SO ORDERED.

8/24/26
Date

Elizabeth Dearstyne
Elizabeth Dearstyne, Chairperson
for Education Audit Appeals Panel

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Department of Finance

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9 BEFORE THE EDUCATION AUDIT APPEALS PANEL
10 FOR THE STATE OF CALIFORNIA
11 GENERAL JURISDICTION, SACRAMENTO
12

13 **In the Matter of the Audit Appeal of:**

14 **Fiscal Year 2023-2024 Audit Finding 2024-**
15 **001 by Kit Carson Union Elementary School**
District,

16 Appellant.
17
18

EAAP Case No. 26-05
OAH Case No. 2026030382

STIPULATED AGREEMENT

19 Appellant Kit Carson Union Elementary School District (Appellant), respondent
20 Department of Finance, and respondent Office of the State Controller (Controller) (collectively,
21 the Parties) agree to a complete resolution of the above-captioned matter as follows:

22 **RECITALS**

23 A. The independent accounting firm of Christy White, Inc. (Auditor) conducted a
24 financial performance audit of Appellant for the fiscal year ending on June 30, 2024. The results
25 of the audit were included in the audit report issued by the Auditor on or around December 6,
26 2024.

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1 B. In audit finding 2024-001, the Auditor determined that Appellant was out of
2 compliance with the reporting and certification requirements provided by Education Code section
3 8820. The Auditor assessed an associated penalty of \$63,886.00.

4 C. The Controller certified the audit.

5 D. Appellant then timely filed a request for formal appeal of audit finding 2024-001
6 pursuant to Education Code 41344, subdivision (d), thus instituting this appeal.

7 E. In order to avoid the cost and uncertainty of taking this matter to hearing, the Parties
8 agree to resolve this dispute on the terms and conditions described herein.

9 **STIPULATION AND AGREEMENT**

10 For the purposes of completely settling and resolving Appellant's appeal of audit finding
11 2024-001, the Parties agree as set forth below:

12 1. This stipulated agreement fully and completely resolves all known claims, demands,
13 appeals, obligations, or causes of actions arising from or relating to audit finding 2024-001 of the
14 financial performance audit for the fiscal year ending on June 30, 2024. Accordingly, the Parties
15 expressly waive any right or claim to assert or pursue thereafter any known claim, demand,
16 obligation, and/or cause of action relating to audit finding 2024-001 of the financial performance
17 audit for the fiscal year ending on June 30, 2024.

18 2. The Appellant shall have \$6,000.00 withheld from its future apportionment.

19 3. This stipulated agreement is subject to and conditioned upon approval and adoption
20 by the Education Audit Appeals Panel, pursuant to Education Code section 41344.1, subdivision
21 (b).

22 4. This stipulated agreement may be executed in counterparts, each of which shall
23 constitute an original. Facsimile and pdf signatures transmitted to other parties to this stipulated
24 agreement are deemed to be the equivalent of original signatures.

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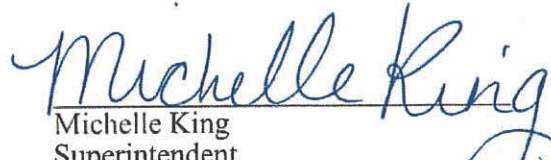
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5. The Parties shall be responsible for their own attorney fees and costs.

The Parties ratify the preceding terms and conditions through the signatures of their respective representatives as follows:

Date: 8/4/26


Michelle King
Superintendent
Kit Carson Union Elementary School District,
Appellant

Date: 8/4/26


Anita V. Shah
Staff Counsel
Office of the State Controller, Respondent

Date: 8/5/2026


Jessica Holmes
Program Budget Manager
California Department of Finance, Respondent

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