

UTAH STATE BOARD OF EDUCATION
Audit Appeal Minutes

June 29, 2021

An audit appeal hearing of the Utah State Board of Education was held on June 29, 2021, at the Board of Education building. The hearing was streamed live to the public. Board Chair Mark Huntsman presided.

Members Present: Chair Mark Huntsman, Vice Chair Cindy Davis, Vice Chair Laura Belnap, Janet Cannon, Natalie Cline, Jennie Earl, Kristan Norton, Carol Lear, Stacey Hutchings, James Moss

Members Electronic Participation: Randy Boothe, Brent Strate, Molly Hart, and Scott Hansen

Board Members Excused: Matt Hymas

Others Present: David Mortensen, Lauren A. Shurman, Joan Ottley-Zeeman, Dee Henderson, Ted Heaps, Casey Crown, Thomas Young, Brad Blanchard, Bryan Quesenberry, Michelle Beus, Leah Voorhies, LauraLee Gillespie, Karen Rupp, Deborah Jacobson, Debbie Davis, Kevin John, Cybil Child, Jeff Greene, and Samuel Allan.

Opening Business

Chair Huntsman called the hearing to order at 2:02 p.m.

American Preparatory Academy (APA) Audit Appeal

Dave Mortensen introduced his legal team Ted Heaps, Thomas Young, Brad Blanchard, Dee Henderson, Stephanie Henderson, and Joan Ottley-Zeeman. Dave Mortensen presented the APA argument that “The Board should review the questioned costs and determine the amount of funds, if any, APA will be required to reimburse the State of Utah in accordance with the provisions of the Agreement.”

- i. The presentation along with exhibits was presented to the board members.

State Board of Education Presentation

Bryan Quesenberry, Assistant Attorney General presented a response to APA’s request for the audit appeal and disputed APA’s five appeal arguments.

- i. Occupational Therapists who worked exclusively with special ed students
- ii. Speech Pathologists who worked exclusively with special ed students
- iii. Special Education Administrative expenses allowed under Program Code 1205

- iv. 1:1 Aides who worked exclusively with special education students
- v. Paraeducators who estimated they worked exclusively with special education students 37% of the time and primarily with special education students 63% of the time.

Action on Appeal

Followed by the presentations the board members ask clarifying questions.

BOARD MOTION That the Board requires APA to pay the full amount with the deadlines established in the Settlement Agreement, of \$2,785,917.59 (the full amount of questioned expenditures referenced in the November 5, 2020, APA audit) of the questioned costs detailed in the audit report prepared by internal audit staff.

Motion made by Member Belnap and seconded by Member Lear.

MOTION TO AMEND Motion made by Member Earl and seconded by Member Moss to delete 2,785, 917.59 and replace with 1,190,015.29.

Motion failed with Members Cline, Earl, Hutchings, Moss in favor and Members Hansen, Strate, Boothe, Hart, Cannon, Belnap, and Huntsman opposed.

Motion carried with Members Norton, Lear, Hutchings, Hansen, Strate, Davis, Belnap, Cannon, and Huntsman in favor and Members Earl, Cline, Moss, Boothe, and Hart opposed.

Adjournment

Meeting adjourned at 5:11 p.m.