

Ventura County Office of Education

Forensic Audit Report

Prepared For:

Ventura County Board of Education (VCBOE) and
Ad Hoc Committee of VCBOE

October 15, 2026



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Executive Summary

I. Introduction

This Executive Summary provides an overview of Weaver’s findings and recommendations based on the forensic audit performed for the Ventura County Office of Education (“VCOE”). The Executive Summary is based on the set of facts and findings described in the Report and should be read with the Report itself, including the associated appendices and exhibits. Standing alone, it does not provide a full understanding of the facts and analysis underlying our findings and recommendations. Weaver reserves the right to amend this Report should additional information be made available relevant to our review.

a. Engagement Background

On May 26, 2026, the Ventura County Board of Education (the “Board”) approved a motion to retain an independent external audit firm to conduct a forensic audit to investigate potential violations of California Education Code, financial mismanagement, governance failures, and any other potentially unlawful or improper conduct involving the VCOE over the past four (4) years. During the meeting, the Board also appointed Trustees Michael Teasdale and Richard Lucas III to serve on an ad hoc committee to oversee the forensic audit. Weaver submitted a proposal to the Board in response to the Request for Proposals (RFP) for Independent Forensic Audit and Compliance Review issued on June 15, 2026. On June 29, 2026, Weaver was engaged by VCOE to conduct a forensic audit.

b. Scope of Work

Weaver’s review period for the forensic audit included a comprehensive review covering the Fiscal Years 2023-24 (FY2024), 2024-25 (FY2025) and 2025-26 (FY2026), with the understanding that we may need to review earlier fiscal years for certain scopes of work. A summary of Weaver’s scope of work is outlined below:

- **Compensation and Benefits Review** – review all compensation, benefit, and employment-related actions affecting the Superintendent and executive leadership personnel;
- **Procurement, Contracting and Expenditure Review** – review contracts, procurements, purchases, reimbursements, and other expenditures during the review period, including any transactions identified as unusual or at high risk; and
- **Special Funds and Other Post-Employment Benefits (OPEB) Review** – review financial transactions, transfers and other activity for Fund 17 (Special Reserve Fund for Other Than Capital Outlay Projects) and Fund 20 (Special Reserve Fund for Post-Employment Benefits).

c. Work Steps Performed

A summary of work steps performed by Weaver as part of the forensic audit is provided in the table below. Additional detail of work steps performed for each scope of work is included in each of the subsequent sections of this Report.

Work Step	Description of Work Performed
Planning/Kickoff Meetings	On July 8, 2026, Weaver met with VCOE leadership to conduct a kickoff meeting for the forensic audit, which included a discussion of the scope of work and work to be performed.
Interviews	Weaver conducted interviews with 18 individuals during the forensic audit, including current and former VCOE employees, Board members, and VCOE's Superintendent of Schools.
Review and Analysis of Financial Data and Records	Weaver reviewed and analyzed various financial data and records related to the scope of work of the forensic audit, including, but not limited to: • Payroll Register data and employment contracts; • Accounts Payable Register and Direct Billed Register; • General Ledger transaction detail for Fund 17 and Fund 20; • Monthly statements for credit card expenditures; • Transaction detail for expense reimbursements; and • Supporting documentation for transactions selected for further review (i.e., contracts, invoices, expense reports, receipts, purchase orders, among other available supporting documentation).
Review of Board Meeting Records	Weaver reviewed and analyzed Board meeting records during the review period, including meeting minutes, agendas, and packets.
Review of Emails / Other Communications	Weaver obtained and reviewed approximately 600,000 emails based on search terms and custodians relevant to our review.
Evaluation of Compliance	Weaver evaluated compliance with local, state and federal requirements, including, but not limited to: • California Education Code • California Constitution • California Public Contract Code • VCOE Board Policies • VCOE Superintendent Policies

II. Summary of Findings

During the course of the forensic audit, Weaver identified several apparent violations of California Education Code, which are outlined below and further detailed in **Section A** of this Report.

a. Failure to Adhere to California Education Code, Section 1302(a)

California Education Code, Section 1302(a) states: *"The county superintendent of schools shall not increase by ten thousand dollars (\$10,000) or more the salary or bonus of any employee of the county office of education unless the matter is brought to the attention of the county board of education for its discussion at a regularly scheduled public meeting of the county board of education."*

As detailed in **Section A** of this Report, we identified 16 instances since 2021 where Cabinet members received salary increases over \$10,000 (totaling approximately \$375,000 in combined salary increases), and eight (8) instances where Cabinet members received off-schedule payments greater than \$10,000. Based on our review of Board meeting records and interviews with Board members and VCOE personnel, salary increases and off-schedule payments over \$10,000 were not brought to the attention of the Board for discussion at a regularly scheduled public meeting during the review period.¹ **VCOE's historical practice of not bringing salary increases and off-schedule payments over \$10,000 to the attention of the Board does not appear to be compliant with California Education Code, Section 1302(a).**²

b. Failure to Adhere to California Education Code, Section 1302(b)

California Education Code, Section 1302(b) states: *"The county superintendent of schools shall not increase the retirement benefits of any employee of the county office of education unless the matter is brought to the attention of the county board of education for its discussion at a regularly scheduled public meeting of the county board of education and the county board of education approves the increase."*

¹ According to VCOE's former Deputy Superintendent of Fiscal and Administrative Services, Ms. Key, salary increases were included in the interim budget information provided to the Board. However, the interim budget information only reflected a total for salaries for all employees, without any information to identify salary increases over \$10,000.

² We identified email communications from a listserv consisting of the Superintendents and Deputy/Assistant Superintendents for all of the county offices of education in California, which included VCOE. On several occasions including in March 2024, other county offices submitted questions to the listserv about their process for complying with California Education Code, Section 1302(a). We identified approximately 15 responses from other county offices, all of which indicated that they placed an agenda item for discussion and provided the Board with a list of employees either by name, position, or EIN, and listed the salary increase amount.

As detailed in **Section A** of this Report, in 2023, four (4) Cabinet members received new contracts with a provision for lifetime health benefits for the employee and their spouse, to be paid by VCOE after retirement. The provision was added at the direction of VCOE's Superintendent of Schools, Dr. Cesar Morales, who tasked the now former Deputy Superintendent of Fiscal and Administrative Services, Misty Key, and his Executive Assistant, with preparing the contracts.³ In August 2025, the Assistant Superintendent of SELPA also received a contract that included lifetime employee health benefits after being promoted to a Cabinet position. On March 11, 2026, the contracts for the five (5) Cabinet members classified as Contract Management were renewed through June 30, 2027, which included the same provision for lifetime health benefits as the contracts executed in 2023.

On May 27, 2026, a blogpost was published on the Anonymous Mommy Facebook page and webpage raising concerns about lifetime health benefits being included in contracts for Cabinet members, specifically citing concerns that the benefits violated California Education Code Section 1302(b).⁴ Following the concerns being raised in the blogpost and subsequent questions being raised by the Board, the contracts with the five (5) Cabinet members were amended on July 8, 2026 to rescind the provision in their contracts allowing for lifetime health benefits for the employee and their spouse.

While the contract provision added in November 2023 for lifetime health benefits for Cabinet members and their spouses was ultimately rescinded in July 2026 (prior to any benefits payments being made under the provision), Weaver identified several concerns with the process by which the lifetime health benefits provision was included in the contracts, as outlined below:

- Lifetime health benefits were added to Cabinet members' contracts without being brought to the attention of the Board for discussion and approval, which **appeared to be in violation of California Education Code Section 1302(b)**.
- Superintendent Policy 4154/4254 explicitly prohibited paid medical benefits during retirement for

³ On June 30, 2023, the contracts for the four (4) Cabinet members classified as Contract Management (i.e., Deputy/Associate/Assistant Superintendents) were set to expire upon completion of their two-year contracts executed in 2021. Based on our interviews of Dr. Morales and Ms. Key, Dr. Morales wanted to incentivize his Cabinet members to stay at VCOE for the next 10 years as his core team, which aligned with his plans to seek re-election in 2026 and possibly 2030. Dr. Morales indicated during the interview that based on his experience dealing with employee contracts in his prior role as Superintendent at Oxnard School District, he made the decision to include a provision in the contracts of his Cabinet members during the renewal of their contracts in 2023 authorizing lifetime health benefits for the employee and their spouse, to be paid by VCOE.

⁴ <https://www.anonymoumommy.com/blog/vc-superintendent-cesar-morales-actions-trigger-financial-investigation-at-the-vc-office-of-ed>

VCOE employees, with the exception of certain employees who retired on or before June 30, 1995.⁵

- In our interview of Dr. Morales, he stated that he did not seek guidance from VCOE's legal counsel or request a cost analysis of future liabilities prior to authorizing lifetime health benefits for Cabinet members, adding that he was unaware of the specific requirements in California Education Code Section 1302(b) and Superintendent Policy 4154/4254.
- In addition to the Board, it did not appear that anyone else at VCOE was aware of the contract provision for lifetime health benefits for Cabinet members and their spouses, outside of Dr. Morales, Cabinet members, and Dr. Morales' Executive Assistant.
- As a result of VCOE's Internal Business Services Department being unaware of the lifetime health benefits, the future liabilities associated with these benefits were not included in the Actuarial Study of VCOE's Retiree Health Liabilities under GASB 74/75, which is required annually to determine VCOE's liabilities associated with its current retiree health program.
- Had the lifetime benefits not been rescinded following public scrutiny in May 2026, it is likely that Dr. Morales stood to benefit and would have also received lifetime health benefits given his engagement to Ms. Key in or around July 2025.

Additional detail of our review and analysis of lifetime health benefits is provided in **Section A** of this Report.

c. Failure to Adhere to California Education Code Section 1209

California Education Code, Section 1209 states: "*A county superintendent of schools shall not increase his or her salary, financial remuneration, benefits, or pension in any manner or for any reason without bringing the matter to the attention of the county board of education for its discussion at a regularly scheduled public meeting of the board and without the approval of the county board of education.*"

As detailed in **Section A** of this Report, Dr. Morales received an off-schedule payment on November 8, 2024 in the amount of \$15,750 (5% of his salary), which was paid to Dr. Morales based on the directive provided by Ms. Key to VCOE's Payroll Supervisor. On May 12, 2026, the Anonymous Mommy webpage published a blogpost raising concerns about the off-schedule payment to Dr. Morales in November 2024. Several days after the blogpost, Dr. Morales repaid VCOE for the off-schedule payment and issued a letter to the Ventura County Community stating that he had since learned that the additional compensation should have been submitted to the Board for review and approval. While Weaver confirmed that Dr. Morales repaid the off-schedule payment to VCOE approximately 18 months after it was received, **the payment appeared to be in violation of California Education Code Section 1209**. We also determined that Dr. Morales and Ms.

⁵ Superintendent Policy 4154/4254 states: "*No VCOE paid retirement benefits are available to any employee presently working for VCOE and Superintendent Policy 4516 et seq is no longer in effect. Only VCOE employees who retired on or before June 30, 1995, and who satisfy the requirements set forth in Superintendent Policy 4516, as it existed prior to February 14, 1996, will be entitled to paid medical benefits during retirement.*"

Key started dating in or around January 2025, less than two (2) months after Dr. Morales received the off-schedule payment at the direction of Ms. Key.⁶

III. Recommendations

Based on the observations and findings identified during the forensic audit, Weaver has prepared the following recommendations for VCOE's consideration.

a. Disclosure of Salary Increases Over \$10,000 to the Board

During the forensic audit we determined that salary increases over \$10,000 were not brought to the attention of the Board, which appeared to be in violation of California Education Code, Section 1302(a).

Recommendation:

To ensure compliance with California Education Code, we recommend that VCOE implement a process to inform the Board of salary increases over \$10,000, such as including an informational item with detail of salary increases either by employee name, position, or EIN.

b. Formalize Process for Issuing Off-Schedule Payments

During the forensic audit, we identified inconsistencies each year related to the individuals that received off-schedule payments. Specifically, we determined that Contract Management (i.e., Deputy / Associate / Assistant Superintendents) received off-schedule payments in 2022 and 2024, but not 2023, as well as the Superintendent receiving the off-schedule payment in 2024. We also determined that recipients of off-schedule payments were based on verbal directives from the former Deputy Superintendent of Fiscal and Administrative Services to the Payroll Department.

Recommendation:

We recommend that VCOE obtain legal guidance on whether Contract Management should receive off-schedule payments, and formally document directives for the payment of off-schedule payments through

⁶ While we were unable to identify email communications or other documentation to determine the exact timing of when Dr. Morales and Ms. Key began a romantic relationship, Dr. Morales informed us during our interview that they began seeing each other after the New Years holiday in January 2025. It is our understanding that Dr. Morales verbally informed Board members on an individual basis during the Spring and Summer of 2025 regarding his relationship with Ms. Key. We also identified email communications in which Dr. Morales indicated that he and Ms. Key were engaged as of July 2025.

an authorized memo from the Superintendent, or some other form of documentation and authorization. Additionally, off-schedule payments over \$10,000 should be brought to the attention of the Board to ensure compliance with California Education Code, Section 1302(a).

c. Documentation of Competitive Bidding and Pricing

Based on our review and discussions with VCOE staff, we determined that VCOE's Purchasing Department generally performed procedures intended to evaluate the reasonableness of vendor pricing before making purchasing decisions. However, for certain purchases, including jewelry for years of service awards, apparel, and VCOE branded items, documentation supporting pricing options considered from vendors ultimately not selected was not available for review. As a result, we were unable to validate whether VCOE obtained the best price for the purchase.

Recommendation:

We recommend that VCOE update procedures to require the retention of pricing comparisons (i.e., quotes and estimates from multiple vendors) used to determine the selected vendor. Maintaining these records would strengthen support for purchasing decisions, as well as provide transparency that reasonable efforts were made to evaluate pricing from multiple vendors.

d. Documentation of Prior Authorization for Travel Expenditures

During the forensic audit, we identified 15 travel-related expense reimbursement transactions in which travel expenditures were incurred prior to documented approval being obtained from the County Superintendent of Schools or an authorized designee, as required by VCOE's Superintendent Policy No. 3350 – Travel and Credit Card and Administrative Regulation 3350 – Travel Expense.

Recommendation:

To ensure compliance with the policy, we recommend that VCOE consider implementing a standardized Prior Travel Authorization Form and that the completed form be retained with the applicable travel expense reimbursement documentation.

e. Disclosure of Transfers and Fund Balances for Funds 17 and 20

During the forensic audit we determined that certain interfund transfers in excess of \$25,000 that occurred after year-end were not brought to the attention of the Board for discussion and approval, which may not be compliant with California Education Code, Section 1280.

Recommendation:

We recommend that VCOE implement a process to formally report to the Board all interfund transfers exceeding applicable thresholds that occur after fiscal year-end. Information reported to the Board could include the date, amount, source and receiving funds, and the purpose/justification of the transfer to provide transparency to the Board and ensure compliance with California Education Code Section 1280.

f. Culture and Documentation of Authorizations

Based on our interviews conducted with current and former VCOE employees, the culture at VCOE has been to refrain from “putting things in writing” as it pertains to authorizations of finance and operational decisions. It appeared that VCOE’s Superintendent, Dr. Morales, and Deputy Superintendent of Fiscal and Administrative Services, Ms. Key, discouraged VCOE employees from using email to discuss or authorize certain decisions, as evidenced by the use of handwritten sticky notes by VCOE staff to document verbal directives from leadership.

Recommendation:

We recommend that VCOE cease the practice of discouraging employees from “putting things in writing” and implement processes to ensure financial and operations decisions are documented in writing, such as in an email or memorandum. Written documentation will help to ensure accuracy and clarity in directives, improve transparency and accountability, as well as assist future leadership in how past decisions were made.

A. Compensation and Benefits

I. Scope of Work

The forensic audit included a scope of work to review and analyze compensation and benefits for the Superintendent, Dr. Cesar Morales, as well as Cabinet members. Our review included compensation and benefits for the following individuals during the FY2022 – FY2026 time period:

- Dr. Cesar Morales – Superintendent of Schools
- Misty Key – Former Deputy Superintendent of Fiscal and Administrative Services⁷
- Lisa Salas Brown – Deputy Superintendent of Educational Services
- Dr. Consuelo Hernandez Williams – Associate Superintendent of Student Services
- Dr. Juan Santos – Assistant Superintendent of Human Resources
- Joanna Della Gatta – Assistant Superintendent of SELPA
- David Schermer – Director of Communications

II. Work Performed

Weaver performed the following work steps during the forensic audit as part of our review of compensation and benefits:

- Analyzed gross and net payroll payments by fiscal year from Payroll Register data for all VCOE employees during the FY2024 – FY2026 time period (a summary of gross pay by employee for all employees is provided in **Appendix A**);
- Performed a detailed review of Payroll Detail reports for the Superintendent and Cabinet members during the FY2022 – FY2026 time period, including itemized compensation, benefits and deductions broken out by pay period;
- Review Classified Employee Agreement contracts for Cabinet members classified as Contract Management (i.e., Assistant Superintendents, Associate Superintendents and Deputy Superintendents) during the review period;
- Reviewed email communications related to compensation and benefits, including communications related to salary increases, off-schedule payments, and changes to retirement benefits;
- Reviewed Board meeting minutes to identify any resolutions or discussion items related to salary increases for the Superintendent or VCOE employees; and
- Conducted interviews with the Superintendent, Cabinet members, as well as individuals from the Payroll Department to gather information related to compensation and benefits.

⁷ Ms. Key resigned as Deputy Superintendent of Fiscal and Administrative Services in August 2026.

III. Dr. Cesar Morales

We performed a detailed review of compensation and benefits paid to Dr. Cesar Morales, ("Dr. Morales"), who served as VCOE's Superintendent of Schools during our review period. Our analysis included a review of payroll register details, review of email communications, as well as our interview of Dr. Morales. A summary of our analysis is provided below.

a. Summary of Compensation

Based on our review of payroll register reports for each monthly pay period, we analyzed compensation payments to Dr. Morales during the FY2022 – FY2026 time period. A summary of compensation by category during the review period is provided in the table below, with additional detail of compensation by pay period provided in **Appendix B**.

Summary of Compensation - Dr. Cesar Morales					
Compensation Category	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Salary	\$ 280,000	\$ 280,001	\$ 292,001	\$ 315,001	\$ 315,001
Off Schedule Payments	-	-	-	15,750	(15,750)
Cell Phone Stipend	600	600	600	600	600
Auto Allowance	-	3,000	3,000	3,000	3,000
Total Compensation	\$ 280,600	\$ 283,601	\$ 295,601	\$ 334,351	\$ 302,851

b. Salary Increases

Based on our review of payroll register reports and employee contracts, we identified two (2) salary increases for Dr. Morales during the review period, including an increase of 4.29% in July 2023 and an increase of 7.88% in July 2024. A summary of salary increases for Dr. Morales is provided in the table below.

Summary of Salary Increases - Dr. Cesar Morales					
Date	Position	Salary	\$ Increase	% Increase	Basis for Salary
7/1/2021	Superintendent	\$ 280,000			Approved by the Board
7/1/2023	Superintendent	292,000	12,000	4.29%	Approved by the Board
7/1/2024	Superintendent	315,000	23,000	7.88%	Approved by the Board

As outlined in Board Policy No. 2126, the California Constitution provides that the County Board of Education fix the annual salary of the County Superintendent of Schools. Board Policy No. 2126 also states that the Superintendent's salary should be both competitive and comparable to the Superintendents of other Local School Districts, as well as reviewed annually.

c. Off-Schedule Payments

On November 8, 2024, Dr. Morales received an off-schedule payment in the amount of \$15,750, which was equal to 5% of his annual salary of \$315,000.⁸ The off-schedule payment appears to have been made in conjunction with the agreement ratified on October 30, 2024 between VCOE and the Ventura County Federation of School Employees Local 4434.1 AFT whereby all active employees of VCOE would receive a one-time of schedule salary augmentation payment equal to 5% of their salary, to be paid on November 8, 2024.

Following the ratification of the agreement, Ms. Key instructed VCOE's Payroll Supervisor to issue the 5% off-schedule payment to all employees, as well as to the Cabinet members and Superintendent. Based on our interview of the Payroll Supervisor, she made a handwritten note based on her discussion with Ms. Key that stated: "*Per Misty – Contract Mgmt too.*"⁹ (*See Exhibit 1*)

On May 12, 2026, a blogpost was published on the Anonymous Mommy webpage, which raised concerns about whether the off-schedule payment to Dr. Morales in November 2024 violated California Education Code Section 1209.¹⁰

On May 14, 2026, Dr. Morales repaid VCOE in the amount of \$7,618.81, which represented a repayment of the net amount paid to Dr. Morales on November 8, 2024 after deductions for taxes.¹¹ Subsequently on June 30, 2026, the remaining \$8,131.19 was deducted from Dr. Morales' paycheck. The check repayment on May 14, 2026 of \$7,618.81 and payroll deduction of \$8,131.19 on June 30, 2026 represented a repayment in full for the \$15,750.00 off-schedule payment paid to Dr. Morales on November 8, 2024.

On May 15, 2026, Dr. Morales issued a letter to the Ventura County Community to address the off-schedule payment (referred to in his letter as "a one-time stipend") received in November 2024. In his letter, Dr. Morales stated that he has since learned that a stipend payment to the Superintendent required Board

⁸ The net payment received by Dr. Morales on November 8, 2024 was \$7,431.49 after deductions for federal income tax (\$5,071.50), state income tax (\$1,616.88), Medicare (\$228.38), Medicare over \$200k (\$141.75) and State Teachers Retirement System (\$1,260).

⁹ Based on our interview of the Payroll Supervisor, the handwritten note stating "Contract Management too" was a note to herself following receiving direction from Ms. Key. She intended Contract Management to mean the Cabinet and Superintendent as she considered the Superintendent to be included in Contract Management even though the Superintendent is an elected official.

¹⁰ <https://www.anonymoumommy.com/blog/dr-cesar-morales-ventura-county-superintendent-questions-of-power-transparency-and-accountability>

¹¹ The repayment by Dr. Morales on May 14, 2026 of \$7,618.81 was higher than the net amount received on November 8, 2024 of \$7,431.49 as a result of Medicare taxes.

approval, which did not occur, and that the stipend had been repaid back to VCOE in full.¹² A copy of the letter is provided below. *(See Exhibit 2)*

May 15, 2026

Dear Ventura County Community,

I am writing to address a matter that recently came to my attention regarding a one-time stipend I received in or around November 2024. All Ventura County Office of Education staff, including members of my cabinet, also received stipends in varying amounts based on annual salaries. I have since learned, however, that the stipend specific to the County Superintendent should have been submitted to the Board of Education for review and approval prior to being issued, and that process did not occur.

I have paid the stipend I received back to VCOE in full.

I will also work with the Ventura County Board of Education to implement steps to ensure this does not happen again. I am sharing this information to be fully transparent, to acknowledge the error, and to reaffirm my commitment to accountability and sound governance.

I appreciate your understanding and patience as we work through this matter and take the necessary corrective actions.

Sincerely,



Dr. César Morales, Ventura County Superintendent of Schools

While the off-schedule payment was repaid to VCOE by Dr. Morales in 2026, given his position as County Superintendent of Schools, the off-schedule payment to Dr. Morales on November 8, 2024 appeared to be in violation of California Education Code Section 1209, which states the following:

A county superintendent of schools shall not increase his or her salary, financial remuneration, benefits, or pension in any manner or for any reason without bringing the matter to the attention of the county board of education for its discussion at a regularly scheduled public meeting of the board and without the approval of the county board of education.

¹² As of the letter issued by Dr. Morales on May 15, 2026, only the net portion of the off-schedule payment had been repaid to VCOE. The off-schedule payment wasn't repaid in full until June 30, 2026 when the remaining portion was deducted through the payroll process.

IV. Misty Key

We performed a detailed review of compensation and benefits paid to Misty Key, ("Ms. Key"), who served as VCOE's Deputy Superintendent of Fiscal and Administrative Services during our review period. Our analysis included a review of employee contracts, payroll register details, review of email communications, as well as our interview of Ms. Key. A summary of our analysis is provided below.

a. Summary of Compensation

Based on our review of payroll register reports for each monthly pay period, we analyzed compensation payments to Ms. Key during the FY2022 – FY2026 time period. A summary of compensation by category during the review period is provided in the table below, with additional detail of compensation by pay period provided in **Appendix C**.

Summary of Compensation - Misty Key					
Compensation Category	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Salary	\$ 257,600	\$ 257,600	\$ 280,002	\$ 302,401	\$ 302,401
Off Schedule Payments	-	10,304	-	15,120	-
Cell Phone Stipend	600	600	600	600	600
Total Compensation	\$ 258,200	\$ 268,504	\$ 280,602	\$ 318,121	\$ 303,001

b. Salary Increases

Based on our review of payroll register reports and employee contracts, we identified two (2) salary increases for Ms. Key during the review period, including an increase of 8.7% in July 2023 and an increase of 8.0% in July 2024. A summary of salary increases for Ms. Key is provided in the table below.

Summary of Salary Increases - Misty Key					
Date	Position	Salary	\$ Increase	% Increase	Basis for Salary
7/1/2021	Deputy Superintendent	\$ 257,600			92% of Superintendent Salary
7/1/2023	Deputy Superintendent	280,000	22,400	8.70%	96% of Superintendent Salary
7/1/2024	Deputy Superintendent	302,401	22,401	8.00%	96% of Superintendent Salary

Salaries for Cabinet positions historically have been set as percentage of the Superintendent's salary, which we understand was a practice established under the prior Superintendent, Stan Mantooth. Based on our interview of Ms. Key, the salary for Deputy Superintendent was increased from 92% to 96% in July 2023 as a result of Ms. Key taking on additional duties related to SELPA. The salary increase of 8% in July 2024 was a result of an increase to the Superintendent's salary.

The salary increases received by Ms. Key in July 2023 and July 2024 were each greater than \$10,000. However, it did not appear that the salary increases were brought to the attention of the Board for discussion at a regularly scheduled public meeting, as required under California Education Code Section 1302(a).

c. Off-Schedule Payments

Ms. Key received two (2) off-schedule payments during the review period totaling \$25,424, including a payment on December 5, 2022 for \$10,304 (4% of salary) and a payment on November 8, 2024 for \$15,120 (5% of salary). Off-schedule payments are discussed in more detail in the *Summary of Findings* of this section of the Report.

d. Lifetime Paid Health Benefits for Employee and Employee's Spouse

In the Classified Employment Agreement entered into with Ms. Key as of November 6, 2023, the agreement included an added provision whereby Ms. Key was entitled to paid health benefits as a retiree upon separation of employment for both Ms. Key and her spouse, to be paid for the duration of their lifetime. The language included in Section 5 of the agreement is provided below:

Employee shall be entitled to Employer paid health benefits as a retiree upon separation of employment for Employee and the Employee's spouse for the duration of the Employee and or the Employees spouses' lifetime. The benefit is to be processed as Employer paid in the same manner as active employee benefits are provided. Employee (retiree) will pay the same proportional cost of the plan(s) selected for health, dental and vision insurance as paid for active employees. Employees will be eligible for the retiree benefits after 10 years of services to VCOE or upon retirement from VCOE.

The subsequent Classified Employment Agreement entered into with Ms. Key as of March 11, 2026 also included the provision for paid lifetime health benefits. However, on July 8, 2026 this agreement was amended to rescind the provision in Section 5 pertaining to lifetime health benefits. Lifetime health benefits are discussed in more detail in the *Summary of Findings* of this section of the Report.

V. Lisa Salas Brown

We performed a detailed review of compensation and benefits paid to Lisa Salas Brown, ("Ms. Salas Brown"), who served as VCOE's Associate Superintendent of Educational Services and then Deputy Superintendent of Educational Services starting in July 2025. Our analysis included a review of employee contracts, payroll register details, review of email communications, as well as our interview of Ms. Salas Brown. A summary of our analysis is provided below.

a. Summary of Compensation

Based on our review of payroll register reports for each monthly pay period, we analyzed compensation payments to Ms. Salas Brown during the FY2022 – FY2026 time period. A summary of compensation by category during the review period is provided in the table below, with additional detail of compensation by pay period provided in **Appendix D**.

Summary of Compensation - Lisa Salas Brown					
Compensation Category	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Salary	\$ 252,000	\$ 252,001	\$ 262,801	\$ 283,500	\$ 302,399
Days Over Contract	17,438	231	-	-	-
Off Schedule Payments	-	10,080	-	14,175	-
Cell Phone Stipend	600	600	600	600	600
Total Compensation	\$ 270,038	\$ 262,912	\$ 263,401	\$ 298,275	\$ 302,999

b. Salary Increases

Based on our review of payroll register reports and employee contracts, we identified three (3) salary increases for Ms. Salas Brown during the review period, including an increase of 4.29% in July 2023, an increase of 7.88% in July 2024, and an increase of 6.67% in July 2025. A summary of salary increases for Ms. Salas Brown is provided in the table below.

Summary of Salary Increases - Lisa Salas Brown					
Date	Position	Salary	\$ Increase	% Increase	Basis for Salary
6/1/2021	Associate Superintendent	\$ 252,000			90% of Superintendent Salary
7/1/2023	Associate Superintendent	262,801	10,801	4.29%	90% of Superintendent Salary
7/1/2024	Associate Superintendent	283,500	20,699	7.88%	90% of Superintendent Salary
7/1/2025	Deputy Superintendent	302,399	18,899	6.67%	96% of Superintendent Salary

Salaries for Cabinet positions historically have been set as percentage of the Superintendent's salary, which we understand was a practice established under the prior Superintendent, Stan Mantooth. As an Associate

Superintendent, Ms. Salas Brown's salary was set at 90% of the Superintendent's salary, which resulted in pay increases in July 2023 and July 2024 equal to the pay increases received by the Superintendent. As a result of Ms. Salas Brown's promotion from Associate Superintendent to Deputy Superintendent effective July 1, 2025, Ms. Salas Brown received a salary increase to 96% of the Superintendent's salary.

The salary increases received by Ms. Salas Brown in July 2023, July 2024 and July 2025 were each greater than \$10,000. However, it did not appear that the salary increases were brought to the attention of the Board for discussion at a regularly scheduled public meeting, as required under California Education Code Section 1302(a).

c. Off-Schedule Payments

Ms. Salas Brown received two (2) off-schedule payments during the review period totaling \$24,255, including a payment on December 5, 2022 for \$10,080 (4% of salary) and a payment on November 8, 2024 for \$14,175 (5% of salary). Off-schedule payments are discussed in more detail in the *Summary of Findings* of this section of the Report.

d. Lifetime Paid Health Benefits for Employee and Employee's Spouse

In the Classified Employment Agreement entered into with Ms. Salas Brown as of November 6, 2023, the agreement included an added provision whereby Ms. Salas Brown was entitled to paid health benefits as a retiree upon separation of employment for both Ms. Salas Brown and her spouse, to be paid for the duration of their lifetime. The language included in Section 5 of the agreement is provided below:

Employee shall be entitled to Employer paid health benefits as a retiree upon separation of employment for Employee and the Employee's spouse for the duration of the Employee and or the Employees spouses' lifetime. The benefit is to be processed as Employer paid in the same manner as active employee benefits are provided. Employee (retiree) will pay the same proportional cost of the plan(s) selected for health, dental and vision insurance as paid for active employees. Employees will be eligible for the retiree benefits after 10 years of services to VCOE or upon retirement from VCOE.

The subsequent Classified Employment Agreement entered into with Ms. Salas Brown as of March 11, 2026 also included the provision for paid lifetime health benefits. However, on July 8, 2026 this agreement was amended to rescind the provision in Section 5 pertaining to lifetime health benefits. Lifetime health benefits are discussed in more detail in the *Summary of Findings* of this section of the Report.

VI. Dr. Consuelo Hernandez Williams

We performed a detailed review of compensation and benefits paid to Dr. Consuelo Hernandez Williams, ("Dr. Hernandez Williams"), who served as VCOE's Associate Superintendent of Student Services during the review period. Our analysis included a review of employee contracts, payroll register details, review of email communications, as well as our interview of Dr. Hernandez Williams. A summary of our analysis is provided below.

a. Summary of Compensation

Based on our review of payroll register reports for each monthly pay period, we analyzed compensation payments to Dr. Hernandez Williams during the FY2022 – FY2026 time period. A summary of compensation by category during the review period is provided in the table below, with additional detail of compensation by pay period provided in **Appendix E**.

Summary of Compensation - Dr. Consuelo Hernandez Williams					
Compensation Category	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Salary	\$ 252,000	\$ 252,001	\$ 262,801	\$ 283,500	\$ 283,500
Off Schedule Payments	-	10,080	-	14,175	-
Cell Phone Stipend	600	600	600	600	600
Total Compensation	\$ 252,600	\$ 262,681	\$ 263,401	\$ 298,275	\$ 284,100

b. Salary Increases

Based on our review of payroll register reports and employee contracts, we identified three (3) salary increases for Dr. Hernandez Williams during the review period, including an increase of 16.4% in April 2021, an increase of 4.29% in July 2023, and an increase of 7.88% in July 2024. A summary of salary increases for Dr. Hernandez Williams is provided in the table below.

Summary of Salary Increases - Dr. Consuelo Hernandez Williams					
Date	Position	Salary	\$ Increase	% Increase	Basis for Salary
2/1/2021	Assistant Superintendent	\$ 216,480			88% of Superintendent Salary
4/16/2021	Associate Superintendent	252,000	35,520	16.41%	90% of Superintendent Salary
7/1/2023	Associate Superintendent	262,801	10,801	4.29%	90% of Superintendent Salary
7/1/2024	Associate Superintendent	283,500	20,699	7.88%	90% of Superintendent Salary

Dr. Hernandez Williams was promoted from Assistant Superintendent of Student Services to Associate Superintendent of Student Services in April 2021, which resulted in a salary increase of 16.41%. As an Associate Superintendent, Dr. Hernandez Williams' salary was set at 90% of the Superintendent's salary,

which resulted in pay increases in July 2023 and July 2024 equal to the pay increases received by the Superintendent.

The salary increases received by Dr. Hernandez Williams in April 2021, July 2023 and July 2024 were each greater than \$10,000. However, it did not appear that the salary increases were brought to the attention of the Board for discussion at a regularly scheduled public meeting, as required under California Education Code Section 1302(a).

c. Off-Schedule Payments

Dr. Hernandez Williams received two (2) off-schedule payments during the review period totaling \$24,255, including a payment on December 5, 2022 for \$10,080 (4% of salary) and a payment on November 8, 2024 for \$14,175 (5% of salary). Off-schedule payments are discussed in more detail in the *Summary of Findings* of this section of the Report.

d. Lifetime Paid Health Benefits for Employee and Employee's Spouse

In the Classified Employment Agreement entered into with Dr. Hernandez Williams as of November 6, 2023, the agreement included an added provision whereby Dr. Hernandez Williams was entitled to paid health benefits as a retiree upon separation of employment for both Dr. Hernandez Williams and her spouse, to be paid for the duration of their lifetime. The language included in Section 5 of the agreement is provided below:

Employee shall be entitled to Employer paid health benefits as a retiree upon separation of employment for Employee and the Employee's spouse for the duration of the Employee and or the Employees spouses' lifetime. The benefit is to be processed as Employer paid in the same manner as active employee benefits are provided. Employee (retiree) will pay the same proportional cost of the plan(s) selected for health, dental and vision insurance as paid for active employees. Employees will be eligible for the retiree benefits after 10 years of services to VCOE or upon retirement from VCOE.

The subsequent Classified Employment Agreement entered into with Dr. Hernandez Williams as of March 11, 2026 also included the provision for paid lifetime health benefits. However, on July 8, 2026 this agreement was amended to rescind the provision in Section 5 pertaining to lifetime health benefits. Lifetime health benefits are discussed in more detail in the *Summary of Findings* of this section of the Report.

VII. Dr. Juan Santos

We performed a detailed review of compensation and benefits paid to Dr. Juan Santos, ("Dr. Santos"), who served as VCOE's Chief Human Resources Officer and then Assistant Superintendent of Human Resources starting in July 2023.¹³ Our analysis included a review of employee contracts, payroll register details, review of email communications, as well as our interview of Dr. Santos. A summary of our analysis is provided below.

a. Summary of Compensation

Based on our review of payroll register reports for each monthly pay period, we analyzed compensation payments to Dr. Santos during the FY2022 – FY2026 time period. A summary of compensation by category during the review period is provided in the table below, with additional detail of compensation by pay period provided in **Appendix F**.

Summary of Compensation - Dr. Juan Santos					
Compensation Category	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Salary	\$ 96,787	\$ 202,959	\$ 256,961	\$ 277,199	\$ 277,199
Off Schedule Payments	-	8,118	-	13,860	-
Cell Phone Stipend	300	600	600	600	600
Doctoral Stipend	1,500	3,000	-	-	-
Total Compensation	\$ 98,587	\$ 214,677	\$ 257,561	\$ 291,659	\$ 277,799

b. Salary Increases

Based on our review of payroll register reports and employee contracts, we identified four (4) salary increases for Dr. Santos during the review period, including an increase of 4.04% in July 2022, an increase of 21.41% in July 2023, an increase of 4.29% in September 2023, and an increase of 7.88% in July 2024. A summary of salary increases for Dr. Santos is provided in the table below.

Summary of Salary Increases - Dr. Juan Santos					
Date	Position	Salary	\$ Increase	% Increase	Basis for Salary
1/1/2022	Chief Human Resources Officer	\$ 195,075			Management Salary Schedule
7/1/2022	Chief Human Resources Officer	202,959	7,883	4.04%	Management Salary Schedule
7/1/2023	Assistant Superintendent	246,402	43,443	21.41%	88% of Superintendent Salary
9/1/2023	Assistant Superintendent	256,961	10,559	4.29%	88% of Superintendent Salary
7/1/2024	Assistant Superintendent	277,199	20,238	7.88%	88% of Superintendent Salary

¹³ Dr. Santos was hired in January 2022 as VCOE's Chief Human Resources Officer. In July 2023, Dr. Santos was promoted to Assistant Superintendent of Human Resources.

Dr. Santos was promoted from Chief Human Resources Officer to Assistant Superintendent of Human Resources in July 2023, which resulted in a salary increase of 21.41%. As an Assistant Superintendent, Dr. Santos' salary was set at 88% of the Superintendent's salary, which resulted in pay increases in September 2023 and July 2024 equal to the pay increases received by the Superintendent.

The salary increases received by Dr. Santos in July 2023, September 2023 and July 2024 were each greater than \$10,000. However, it did not appear that the salary increases were brought to the attention of the Board for discussion at a regularly scheduled public meeting, as required under California Education Code Section 1302(a).

c. Off-Schedule Payments

Dr. Santos received two (2) off-schedule payments during the review period totaling \$21,978, including a payment on December 5, 2022 for \$8,118 (4% of salary) and a payment on November 8, 2024 for \$13,860 (5% of salary). Off-schedule payments are discussed in more detail in the *Summary of Findings* of this section of the Report.

d. Lifetime Paid Health Benefits for Employee and Employee's Spouse

In the Classified Employment Agreement entered into with Dr. Santos as of November 6, 2023, the agreement included an added provision whereby Dr. Santos was entitled to paid health benefits as a retiree upon separation of employment for both Dr. Santos and his spouse, to be paid for the duration of their lifetime. The language included in Section 5 of the agreement is provided below:

Employee shall be entitled to Employer paid health benefits as a retiree upon separation of employment for Employee and the Employee's spouse for the duration of the Employee and or the Employees spouses' lifetime. The benefit is to be processed as Employer paid in the same manner as active employee benefits are provided. Employee (retiree) will pay the same proportional cost of the plan(s) selected for health, dental and vision insurance as paid for active employees. Employees will be eligible for the retiree benefits after 10 years of services to VCOE or upon retirement from VCOE.

The subsequent Classified Employment Agreement entered into with Dr. Santos as of March 11, 2026 also included the provision for paid lifetime health benefits. However, on July 8, 2026 this agreement was amended to rescind the provision in Section 5 pertaining to lifetime health benefits. Lifetime health benefits are discussed in more detail in the *Summary of Findings* of this section of the Report.

VIII. Joanna Della Gatta

We performed a detailed review of compensation and benefits paid to Joanna Della Gatta, ("Ms. Della Gatta"), who served as a SELPA Director, Executive Director and then Assistant Superintendent of SELPA starting in July 2025.¹⁴ Our analysis included a review of employee contracts, payroll register details, review of email communications, as well as our interview of Ms. Della Gatta. A summary of our analysis is provided below.

a. Summary of Compensation

Based on our review of payroll register reports for each monthly pay period, we analyzed compensation payments to Ms. Della Gatta during the FY2022 – FY2026 time period. A summary of compensation by category during the review period is provided in the table below, with additional detail of compensation by pay period provided in **Appendix G**.

Summary of Compensation - Joanna Della Gatta					
Compensation Category	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Salary	\$ 169,066	\$ 175,898	\$ 198,475	\$ 215,300	\$ 277,200
Off Schedule Payments	-	7,036	7,586	10,864	-
Cell Phone Stipend	600	600	600	600	600
Excess Refund	-	-	-	-	185
10-Year Longevity Pay	-	-	-	1,974	-
Total Compensation	\$ 169,666	\$ 183,534	\$ 206,661	\$ 228,737	\$ 277,985

b. Salary Increases

Based on our review of payroll register reports and employee contracts, we identified five (5) salary increases for Ms. Della Gatta during the review period, as summarized in the table below.

Summary of Salary Increases - Joanna Della Gatta					
Date	Position	Salary	\$ Increase	% Increase	Basis for Salary
7/1/2021	Director - SELPA	\$ 162,304			Management Salary Schedule
10/1/2021	Director - SELPA	169,066	6,763	4.17%	Management Salary Schedule
7/1/2022	Director - SELPA	175,898	6,832	4.04%	Management Salary Schedule
12/1/2023	Executive Director - SELPA	196,347	20,449	11.63%	Management Salary Schedule
7/1/2024	Executive Director - SELPA	215,300	18,953	9.65%	Management Salary Schedule
7/1/2025	Assistant Superintendent	277,200	61,900	28.75%	88% of Superintendent Salary

¹⁴ Ms. Della Gatta was promoted from SELPA Director to the Executive Director of SELPA in December 2023. In July 2025, Ms. Della Gatta was promoted to Assistant Superintendent of SELPA, which is included in the Contract Management Salary Schedule.

Ms. Della Gatta was promoted to Executive Director of SELPA in December 2023, which resulted in a salary increase of 11.63%. In July 2025, Ms. Della Gatta was promoted to Assistant Superintendent of SELPA, which resulted in a salary increase of 28.75% as an Assistant Superintendent's salary is set at 88% of the Superintendent's salary.

The salary increases received by Ms. Della Gatta in December 2023, July 2024 and July 2025 were each greater than \$10,000. However, it did not appear that the salary increases were brought to the attention of the Board for discussion at a regularly scheduled public meeting, as required under California Education Code Section 1302(a).

c. Off-Schedule Payments

Ms. Della Gatta received three (3) off-schedule payments during the review period totaling \$25,485, including a payment on December 5, 2022 for \$7,036 (4% of salary), a payment on December 29, 2023 for \$7,586 (4% of salary) and a payment on November 8, 2024 for \$10,864 (5% of salary). Off-schedule payments are discussed in more detail in the *Summary of Findings* of this section of the Report.

d. Lifetime Paid Health Benefits for Employee and Employee's Spouse

In the Classified Employment Agreement entered into with Ms. Della Gatta as of August 14, 2025, the agreement included a provision whereby Ms. Della Gatta was entitled to paid health benefits as a retiree upon separation of employment for both Ms. Della Gatta and her spouse, to be paid for the duration of their lifetime. The language included in Section 5 of the agreement is provided below:

Employee shall be entitled to Employer paid health benefits as a retiree upon separation of employment for Employee and the Employee's spouse for the duration of the Employee and or the Employees spouses' lifetime. The benefit is to be processed as Employer paid in the same manner as active employee benefits are provided. Employee (retiree) will pay the same proportional cost of the plan(s) selected for health, dental and vision insurance as paid for active employees. Employees will be eligible for the retiree benefits after 10 years of services to VCOE or upon retirement from VCOE.

The subsequent Classified Employment Agreement entered into with Ms. Della Gatta as of March 11, 2026 also included the provision for paid lifetime health benefits. However, on July 8, 2026 this agreement was amended to rescind the provision in Section 5 pertaining to lifetime health benefits. Lifetime health benefits are discussed in more detail in the *Summary of Findings* of this section of the Report.

IX. David Schermer

We performed a detailed review of compensation and benefits paid to David Schermer, ("Mr. Schermer"), who served as the Director of Communications during the review period, which we understand was a Cabinet position. Our analysis included a review of employee contracts, payroll register details, and review of email communications. A summary of our analysis is provided below.

a. Summary of Compensation

Based on our review of payroll register reports for each monthly pay period, we analyzed compensation payments to Mr. Schermer during the FY2022 – FY2026 time period. A summary of compensation by category during the review period is provided in the table below, with additional detail of compensation by pay period provided in **Appendix H**.

Summary of Compensation - David Schermer					
Compensation Category	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Salary	\$ 163,322	\$ 182,663	\$ 189,969	\$ 193,768	\$ 198,224
Off Schedule Payments	-	7,307	7,599	9,761	-
Cell Phone Stipend	600	600	600	600	600
Excess Refund	-	-	-	559	-
10-Year Longevity Pay	-	-	-	1,453	1,982
Total Compensation	\$ 163,922	\$ 190,570	\$ 198,168	\$ 206,141	\$ 200,806

b. Salary Increases

Based on our review of payroll register reports and employee contracts, we identified five (5) salary increases for Mr. Schermer during the review period, as summarized in the table below.

Summary of Salary Increases - David Schermer					
Date	Position	Salary	\$ Increase	% Increase	Basis for Salary
7/1/2021	Director of Communications	\$ 146,075			Management Salary Schedule
10/1/2021	Director of Communications	163,319	17,244	11.80%	Management Salary Schedule
7/1/2022	Director of Communications	182,663	19,344	11.84%	Management Salary Schedule
12/1/2023	Director of Communications	189,969	7,306	4.00%	Management Salary Schedule
7/1/2024	Director of Communications	193,768	3,799	2.00%	Management Salary Schedule
7/1/2025	Director of Communications	198,224	4,456	2.30%	Management Salary Schedule

The salary increases received by Mr. Schermer in October 2021 and July 2022 were each greater than \$10,000. However, it did not appear that the salary increases were brought to the attention of the Board for discussion at a regularly scheduled public meeting, as required under California Education Code Section 1302(a).

c. Off-Schedule Payments

Mr. Schermer received three (3) off-schedule payments during the review period totaling \$24,666, including a payment on December 5, 2022 for \$7,307 (4% of salary), a payment on December 29, 2023 for \$7,599 (4% of salary) and a payment on November 8, 2024 for \$9,761 (5% of salary). Off-schedule payments are discussed in more detail in the *Summary of Findings* of this section of the Report.

d. Lifetime Paid Health Benefits for Employee and Employee's Spouse

In his role as Director of Communications, Mr. Schermer's position was not included as Contract Management and Mr. Schermer did not have a contract with VCOE. As a result, Mr. Schermer did not receive lifetime paid health benefits.

X. Summary of Findings

A summary of findings from Weaver's review of compensation and benefits for the Superintendent and Cabinet members is provided below.

a. Salary Increases Over \$10,000

Based on our review of compensation for Cabinet members, we identified 16 salary increases for Cabinet members greater than \$10,000 that totaled approximately \$375,000, as shown in the table below.

Summary of Salary Increases Over \$10,000 - Cabinet Members				
Date	Name	Position	\$ Increase	% Increase
4/16/2021	Dr. Consuelo Hernandez Williams	Associate Superintendent	\$ 35,520	16.41%
10/1/2021	David Schermer	Director of Communications	17,244	11.80%
7/1/2022	David Schermer	Director of Communications	19,344	11.84%
7/1/2023	Misty Key	Deputy Superintendent	22,400	8.70%
7/1/2023	Lisa Salas Brown	Associate Superintendent	10,801	4.29%
7/1/2023	Dr. Consuelo Hernandez Williams	Associate Superintendent	10,801	4.29%
7/1/2023	Dr. Juan Santos	Assistant Superintendent	43,443	21.41%
9/1/2023	Dr. Juan Santos	Assistant Superintendent	10,559	4.29%
12/1/2023	Joanna Della Gatta	Executive Director - SELPA	20,449	11.63%
7/1/2024	Misty Key	Deputy Superintendent	22,401	8.00%
7/1/2024	Lisa Salas Brown	Associate Superintendent	20,699	7.88%
7/1/2024	Dr. Consuelo Hernandez Williams	Associate Superintendent	20,699	7.88%
7/1/2024	Dr. Juan Santos	Assistant Superintendent	20,238	7.88%
7/1/2024	Joanna Della Gatta	Executive Director - SELPA	18,953	9.65%
7/1/2025	Lisa Salas Brown	Deputy Superintendent	18,899	6.67%
7/1/2025	Joanna Della Gatta	Assistant Superintendent	61,900	28.75%
			\$ 374,350	

According to California Education Code, Section 1302(a), "*The county superintendent of schools shall not increase by ten thousand dollars (\$10,000) or more the salary or bonus of any employee of the county office of education unless the matter is brought to the attention of the county board of education for its discussion at a regularly scheduled public meeting of the county board of education.*"

Based on our review of Board meeting records and interviews with Board members and VCOE personnel, salary increases over \$10,000 were not brought to the attention of the Board for discussion at a regularly scheduled public meeting during the review period. According to VCOE's former Deputy Superintendent of Fiscal and Administrative Services, Ms. Key, salary increases were included in the interim budget information provided to the Board. However, the interim budget information only reflected a total for salaries for all employees, without any information to identify salary increases over \$10,000. While Ms. Key indicated that

detailed information pertaining to salary increases would have been provided to the Board if it were to be requested, **VCOE's historical practice does not appear to be compliant with California Education Code, Section 1302(a) as salary increases were not brought to the attention of the Board.**¹⁵

b. Off-Schedule Payments

During the review period, VCOE made three (3) off-schedule salary augmentation payments to VCOE employees, with payments in December 2022 (4% of salary), December 2023 (4% of salary) and November 2024 (5% of salary). Detail of off-schedule payments is provided in the table below.

Summary	Detail of Off-Schedule Payment
Date: 12/5/2022 Recipients: All Employees; Contract Mgmt. % of Salary: 4%	Per Agreement Between VCOE and Federation Ratified on 11/8/2022: As a result of unassigned one-time funding available due to all of the one-time funding provided since the pandemic, on Tuesday, November 1, 2022, the Federation and VCOE agree that all active, permanent VCOE unit members employed in active status as of November 18, 2022, will receive a one-time, off schedule 4% salary augmentation . The percentage will be calculated from the annual base salary which will include longevity, bilingual or professional growth add-on's (if applicable) and will not include any additional salary such as overtime, annual stipends, or any other assignment in addition to the regular position held. The 4% one-time augmentation will be issued in a separate check or direct deposit on December 5, 2022 in a separate payroll run, other than any other compensation to be paid to employees.
Date: 12/2/2023 Recipients: All Employees; % of Salary: 4%	Per VCOE Newsletter: All active VCOE employees holding ongoing positions as of December 22, 2023, will receive an additional 4% off-schedule salary augmentation . Eligible employees will receive this extra compensation in the same end-of-month paycheck on December 29.
Date: 11/8/2024 Recipients: All Employees; Contract Mgmt.; Supt. (Dr. Morales) % of Salary: 5%	Per Agreement Between VCOE and Federation Ratified on 10/30/2024: On Monday, October 28, 2024, the group agreed to a 5% one-time off schedule salary augmentation . The off-schedule percentage onetime payment will be calculated on the annual base salary of the employee's position which will include longevity, bilingual or professional growth add-on's (as applicable) and will not include any additional salary such as overtime, annual stipends, or any other assignment in addition to the regular position held. The off-schedule salary augmentation will be effective on the 2024/25 salary schedules as of July 1, 2024, and will be provided to active employees holding ongoing positions as of the payroll deadline for entry in the processing of augmentation after ratification of this agreement. The payroll date is expected to be Friday, November 8, 2024.

¹⁵ We identified email communications from a listserv consisting of the Superintendents and Deputy/Assistant Superintendents for all of the county offices of education in California, which included VCOE. On several occasions including in March 2024, other county offices submitted questions to the listserv about their process for complying with California Education Code, Section 1302(a). We identified approximately 15 responses from other county offices, all of which indicated that they placed an agenda item for discussion and provided the Board with a list of employees either by name, position, or EIN, and listed the salary increase amount. (See Exhibit 3)

As illustrated in the table above, the recipients of the off-schedule payments varied each year with all employees **and** Contract Management receiving the payment in December 2022, then all employees **but not** Contract Management receiving the payment in December 2023, and then all employees **and** Contract Management **and** the Superintendent (Dr. Morales) receiving the payment in November 2024. Based on our interviews of individuals in the Fiscal and Administrative Services branch, decisions about who was to receive the off-schedule payment were made by the former Deputy Superintendent of Fiscal and Administrative Services, Ms. Key, who directed the Payroll Department to include Contract Management in the off-schedule payments in 2022 and 2024. Ms. Key also directed the Payroll Department to pay the off-schedule payment to Dr. Morales, in 2024, which is discussed in more detail below. It is our understanding that prior to December 2022, VCOE's practice was **not** to include Contract Management as recipients of the off-schedule payments negotiated by the Federation.

c. Off-Schedule Payment to Dr. Morales in November 2024

As discussed above, Dr. Morales received an off-schedule payment on November 8, 2024 in the amount of \$15,750, which was paid to Dr. Morales based on the directive provided by Ms. Key to VCOE's Payroll Supervisor. While Dr. Morales subsequently repaid the amount to VCOE approximately 18 months later, the payment appeared to be in violation of California Education Code Section 1209.¹⁶ A timeline of events related to the off-schedule payment to Dr. Morales is provided in the table below.

Date	Description of Event
10/28/2024	On Monday, October 28, 2024, the group agreed to a 5% one-time off schedule salary augmentation . The off-schedule percentage one-time payment will be calculated on the annual base salary of the employee's position which will include longevity, bilingual or professional growth add-on's (as applicable) and will not include any additional salary such as overtime, annual stipends, or any other assignment in addition to the regular position held. The off-schedule salary augmentation will be effective on the 2024/25 salary schedules as of July 1, 2024, and will be provided to active employees holding ongoing positions as of the payroll deadline for entry in the processing of augmentation after ratification of this agreement. The payroll date is expected to be Friday, November 8, 2024. (See Exhibit 4)
10/29/2024	Tentative Agreement for 5% one-time off-schedule salary augmentation payments was ratified between VCOE and Ventura County Federation of School Employees, Local 4434 AFT. (See Exhibit 4)

¹⁶ California Education Code Section 1209 states: *A county superintendent of schools shall not increase his or her salary, financial remuneration, benefits, or pension in any manner or for any reason without bringing the matter to the attention of the county board of education for its discussion at a regularly scheduled public meeting of the board and without the approval of the county board of education.*

Date	Description of Event
10/30/2024	Tentative Agreement for 5% one-time off-schedule salary augmentation payments was ratified between VCOE and Ventura County Federation of School Employees, Local 4434.1 AFT. (See Exhibit 5)
11/7/2024	Mr. Schermer sent an email to all VCOE employees notifying them of the 5% one-time off-schedule salary augmentation payment to be paid to all VCOE employees on 11/8/2024 following the ratification of the agreement with the Federation. That same day, the Payroll Supervisor was instructed by Ms. Key for the payment to be made to Contract Management and the Superintendent. The Payroll Supervisor documented the directive with a handwritten note that stated "Per Misty – Contract Mgmt too." (See Exhibit 1) Based on our interview of the Payroll Supervisor, she considered the Superintendent as part of Contract Management, which was why the note only referenced Contract Management.
11/8/2024	Dr. Morales received the off-schedule payment equal to 5% of his salary, equal to \$15,750.00. The net amount paid to Dr. Morales after deductions for taxes was \$7,618.81. (See Exhibit 6)
5/12/2026	The Anonymous Mommy webpage published a blogpost raising concerns about the off-schedule payment to Dr. Morales in November 2024, specifically raising concerns that the payment violated California Education Code Section 1209. ¹⁷
5/14/2026	Dr. Morales issued a check to VCOE for \$7,618.18 as repayment for the net portion of the off-schedule payment received on 11/8/2024. (See Exhibit 7)
5/15/2026	Dr. Morales issued a letter to the Ventura County Community indicating that he has since learned that off-schedule payment required Board approval. Dr. Morales also indicated that the off-schedule payment (stipend) had been paid back to VCOE in full. (See Exhibit 2)
6/30/2026	An adjustment was made during the monthly payroll to deduct the entire \$15,750.00 amount from the payroll payment to Dr. Morales, which was offset by \$7,618.18 to account for the previous amount already repaid by Dr. Morales on 5/14/2026. (See Exhibit 7)

It is also important to note that based on our interview of Dr. Morales, it is our understanding that Dr. Morales and Ms. Key started dating in or around January 2025, just a couple of months after Dr. Morales received the off-schedule payment at the direction of Ms. Key.¹⁸

d. Lifetime Benefits for Contract Management and Spouses

On June 30, 2023, the contracts for the four (4) Cabinet members classified as Contract Management (i.e., Deputy/Associate/Assistant Superintendents) were set to expire upon completion of their two-year

¹⁷ <https://www.anonymoumommy.com/blog/dr-cesar-morales-ventura-county-superintendent-questions-of-power-transparency-and-accountability>

¹⁸ While we were unable to identify email communications or other documentation to determine the exact timing of when Dr. Morales and Ms. Key began a romantic relationship, Dr. Morales informed us during our interview that they began seeing each other after New Years in January 2025. It is also our understanding that Dr. Morales verbally informed Board members on an individual basis during the Spring and Summer of 2025. We also identified email communications in which Dr. Morales indicated that he and Ms. Key were engaged as of July 2025.

contracts executed in 2021. Based on our interviews of Dr. Morales and Ms. Key, Dr. Morales wanted to incentivize his Cabinet members to stay at VCOE for the next 10 years as his core team, which aligned with his plans to seek re-election in 2026 and possibly 2030. Dr. Morales indicated during the interview that based on his experience dealing with employee contracts in his prior role as Superintendent at Oxnard School District, he made the decision to include a provision in the contracts of his Cabinet members during the renewal of their contracts in 2023 authorizing lifetime health benefits for the employee and their spouse, to be paid by VCOE. According to Dr. Morales, he made the decision without seeking legal guidance from VCOE's legal counsel, and tasked his Executive Assistant at the time, Lisa Bork, along with Ms. Key to draft the language to be included in the contracts.¹⁹ On November 3, 2023, Ms. Key emailed Dr. Morales with the draft versions of the four (4) employment contracts with the added provision for lifetime health benefits for the employee and their spouse, as shown in the email below. *(See Exhibit 8)*

From: Misty Key <MKey@vcoe.org>
Sent: Friday, November 3, 2023 5:42 PM PDT
To: Cesar Morales <CeMorales@vcoe.org>; Lisa Bork <lbork@vcoe.org>
Subject: updated employment contracts
Attachments: Contract Cert Assoc Supt Student Services 2023.docx, Contract Deputy Supt Key 2023-26 amended Nov 2023.docx, Contract Cert Assoc Supt Ed Services 2023 updated Nov 2023.docx, Contract Assist Supt Santos 2023-25 updated Nov 2023.docx

Hi,

It took me a couple months to get this done and here it is finally!!!! Voila.

I updated all 4 of the employment contracts per the details we discussed Cesar. Lisa Bork and I also made updates to a few sections here and there in all of them to ensure they are appropriate for certificated versus classified, etc.

They are dated for Monday and if they don't get executed exactly on that date, the date can easily be adjusted as needed.

Cesar – please let me know if you have any questions on the language.

Thank you.

Thanks Lisa for your help getting these contracts updated!

Misty



On November 6, 2023, the contracts were entered into with Ms. Key, Ms. Salas Brown, Dr. Hernandez Williams and Dr. Santos with the provision for lifetime health benefits, with a contract term of July 1, 2023

¹⁹ Dr. Morales indicated that Ms. Bork was included in the contract process because she maintained the native version in Microsoft Word of the contracts for Cabinet members.

through June 30, 2026. *(See Exhibit 9)* The language included in the contracts related to lifetime health benefits is provided below:

Employee shall be entitled to Employer paid health benefits as a retiree upon separation of employment for Employee and the Employee's spouse for the duration of the Employee and or the Employees spouses' lifetime. The benefit is to be processed as Employer paid in the same manner as active employee benefits are provided. Employee (retiree) will pay the same proportional cost of the plan(s) selected for health, dental and vision insurance as paid for active employees. Employees will be eligible for the retiree benefits after 10 years of services to VCOE or upon retirement from VCOE.

In August 2025, Ms. Della Gatta also received a contract to include lifetime employee health benefits after being promoted to Assistant Superintendent of SELPA, a Contract Management and Cabinet position.²⁰ On March 11, 2026, the contracts with all five (5) Cabinet members classified as Contract Management were renewed for July 1, 2026 through June 30, 2027, which included the same provision for lifetime health benefits as the contracts executed in 2023. *(See Exhibit 10)*

On May 27, 2026, an additional blogpost was published on the Anonymous Mommy webpage raising concerns about lifetime health benefits being included in contracts for Cabinet members, specifically citing concerns that the benefits violated California Education Code Section 1302(b), outlined below:^{21,22}

The county superintendent of schools shall not increase the retirement benefits of any employee of the county office of education unless the matter is brought to the attention of the county board of education for its discussion at a regularly scheduled public meeting of the county board of education and the county board of education approves the increase.

Following the concerns being raised in the blogpost and subsequent questions being raised by the Board, the contracts with the five (5) Cabinet members were amended on July 8, 2026 to rescind the provision in their contracts allowing for lifetime health benefits for the employee and their spouse. *(See Exhibit 11)*

²⁰ Based on our interview of Ms. Della Gatta, she was unaware of the provision for lifetime health benefits until she saw it in her contract.

²¹ <https://www.anonymousmommy.com/blog/vc-superintendent-cesar-morales-actions-trigger-financial-investigation-at-the-vc-office-of-ed>

²² The concerns raised in the Anonymous Mommy blogpost were based on having received copies of the contracts for Cabinet members through a California Public Records Act (CPRA) request submitted on April 21, 2026. It is our understanding that VCOE had not provided the contracts as of May 22, 2026 (30 days after the request), which prompted Trustee Richard Lucas III to facilitate the release of the records to the individual that submitted the request.

While the contract provision added in November 2023 for lifetime health benefits for Cabinet members and their spouses was ultimately rescinded in July 2026 (prior to any benefits payments being made under the provision), Weaver identified several issues with the process by which the lifetime health benefits provision was included in the contracts, as outlined below:

- Lifetime health benefits were added to Cabinet members' contracts without being brought to the attention of the Board for discussion and approval, which appeared to be in violation of California Education Code Section 1302(b).
- Superintendent Policy 4154/4254 explicitly prohibited paid medical benefits during retirement for VCOE employees, with the exception of certain VCOE employees who retired on or before June 30, 1995.²³ **(See Exhibit 12)**
- In our interview of Dr. Morales, he stated that he did not seek guidance from VCOE's legal counsel or request a cost analysis of future liabilities prior to authorizing lifetime health benefits for Cabinet members, adding that he was unaware of the specific requirements in California Education Code Section 1302(b) and Superintendent Policy 4154/4254.
- In addition to the Board, it did not appear that anyone else at VCOE was aware of the contract provision for lifetime health benefits for Cabinet members and their spouses, outside of Dr. Morales, Cabinet members, and Dr. Morales' Executive Assistant.
- As a result of VCOE's Internal Business Services Department being unaware of the lifetime health benefits, the future liabilities associated with these benefits were not included in the Actuarial Study of VCOE's Retiree Health Liabilities under GASB 74/75, which is required annually to determine VCOE's liabilities associated with its current retiree health program.
- Had the lifetime benefits not been rescinded following the public scrutiny in May 2026, it is likely that Dr. Morales stood to benefit by also receiving lifetime health benefits given his engagement to Ms. Key in or around July 2025.

e. Promotion of Ms. Salas Brown to Deputy Superintendent in July 2025

We determined that in July 2025, Ms. Salas Brown was promoted from Associate Superintendent of Educational Services to Deputy Superintendent of Educational Services, which increased her salary from \$283,500 to \$302,399, based on the salary for a Deputy Superintendent being set at 96% of the Superintendent's salary compared to 90% for an Associate Superintendent. In addition to authorizing the promotion, Dr. Morales also authorized an organizational restructuring in July 2025, whereby the Deputy Superintendent of Fiscal and Administrative Services, Ms. Key, would report to Ms. Salas Brown, whereas previously Ms. Key reported to Dr. Morales. Based on our interview of Dr. Morales and VCOE Board

²³ Superintendent Policy 4154/4254 states: "No VCOE paid retirement benefits are available to any employee presently working for VCOE and Superintendent Policy 4516 et seq is no longer in effect. Only VCOE employees who retired on or before June 30, 1995, and who satisfy the requirements set forth in Superintendent Policy 4516, as it existed prior to February 14, 1996, will be entitled to paid medical benefits during retirement."

members, it is our understanding that the primary reason for the restructuring was to avoid a conflict of interest if Ms. Key continued to be supervised and evaluated by Dr. Morales, given that Ms. Key and Dr. Morales were engaged to be married as of July 2025. It is also our understanding that Dr. Morales obtained legal guidance from VCOE's outside legal counsel in the form of a written memo, and it is our understanding that the memo outlined the need for Ms. Key to report to someone other than Dr. Morales to avoid a conflict of interest.²⁴

While Dr. Morales indicated that additional duties were included in the promotion of Ms. Salas Brown to Deputy Superintendent, such as statewide initiatives, he also indicated that the reorganization of the reporting structure for Ms. Key in July 2025 was to avoid a conflict of interest given their engagement. We also noted that the restructuring resulted in Ms. Key, who had been a Deputy Superintendent since 2021, reporting to Ms. Salas Brown, who had just been promoted to Deputy Superintendent.

²⁴ Weaver has not been provided the legal memo referenced by Dr. Morales. It is our understanding that Dr. Morales showed the memo to VCOE's Board President and Vice President, but did not provide them a copy. According to Dr. Morales, the legal memo is maintained in his personnel file as a confidential document.

B. Payments to Vendors and Contractors

I. Scope of Work

The scope of work in the forensic audit included a review of VCOE payments to vendors and contractors during the FY2024 – FY2026 time period. As part of our review, we analyzed transaction data for all payments during the review period, as well as performed further substantive testing for a sample of vendor payments.

II. Work Performed

Weaver performed the following work steps during the forensic audit as part of our review of payments to vendors and contractors:

- Analyzed approximately \$127.7 million in payments to vendors and contractors based on financial data from VCOE's Escape ERP system, including the Accounts Payable register and Direct Billed register.
- Performed data analytics to identify affiliations between vendors and employees, including a comparison of vendors cross-referenced to the employee roster to identify potential conflicts of interests.
- Performed data analytics to identify other trends, anomalies, and potential red flags for purposes of identifying expenditures that required further review.
- Performed further review and substantive testing for a sample of payments to vendors and contractors totaling \$7,030,735, including 68 payments associated with 31 vendors.
- Reviewed purchasing records for vendors/contractors selected for further substantive testing, including requisitions, contracts, purchase orders, and invoices, among other records.
- Reviewed purchasing records including request for bids, quotes, bids, proposals, among other records to evaluate the procurement and competitive bidding process.
- Reviewed VCOE Board meeting records (i.e., agendas, minutes, etc.) to identify relevant discussion items, resolutions or other authorizations pertaining to payments to vendors.
- Reviewed email data for relevant communications pertaining to payments to vendors.
- Conducted interviews with individuals from VCOE's Internal Business Services related to payments to vendors.
- Reviewed VCOE's policies and procedures related to purchasing and procurement.

III. Overview of VCOE Purchasing Policies and Procedures

a. Superintendent Policy 3311

VCOE's Superintendent Policy No. 3311 outlines general expectations for the procurement of goods, services, and public works. The policy states that competitive bidding should be utilized when required by

law or when deemed to be in VCOE's best interest. The policy further provides for the development of formal bidding procedures governing the solicitation, evaluation, and award of contracts, with contracts generally awarded to the lowest responsible bidder unless an exception applies. The policy also permits the use of cooperative purchasing arrangements, including piggyback contracts, where authorized by law.

b. Superintendent Administration Regulation 3311

VCOE's Superintendent Administrative Regulation No. 3311 ("AR 3311") establishes purchasing procedures intended to centralize procurement activities, require appropriate approvals, and maintain documentation supporting goods and services procured. Purchases are generally initiated through requisitions and are subject to review for compliance with applicable procurement requirements. The regulation outlines that purchase requests are reviewed by the Purchasing Office, which is responsible for evaluating requisitions, identifying the best available pricing for comparable goods or services, and selecting vendors in accordance with applicable procurement requirements.²⁵

The Purchasing Office reviews requested goods and services, considers alternative vendors or purchasing options when appropriate, and coordinates the solicitation of bids or quotations, including for specialized products or services where comparable alternatives may be available. AR 3311 further outlines expectations for vendor selection and procurement methods, including the use of competitive estimates or formal bidding processes when applicable.

IV. Analysis of Vendor Payments

Based on our review of the VCOE's Accounts Payable and Direct Billed registers, we identified payments to vendors and contractors totaling approximately \$127.7 million during the FY2024 – FY2026 time period, which included approximately 35,000 transactions to more than 1,800 vendors or contractors. A summary of payments by vendor is provided in the table below, with additional detail provided in **Appendix I**.

²⁵ It is our understanding that staff from the respective departments are involved in identifying operational needs and potential vendors.

Summary of Payments by Vendor by Fiscal Year (FY2024 - FY2026)				
Vendor Name	FY2023-24	FY2024-25	FY2025-26	Total
FIRST STUDENT, INC.	\$ 8,943,635	\$ 9,834,330	\$ 9,449,793	\$ 28,227,758
FRONTLINE TECHNOLOGIES GROUP	1,047,286	1,112,347	2,333,444	4,493,076
SchoolsFirstFederalCreditUnionSchoolsFirst	955,019	1,136,394	1,360,863	3,452,276
OXNARD UNION HIGH SCHOOL DIST.	1,135,161	972,056	1,193,918	3,301,135
TEHAMA COUNTY OFFICE OF Attn: Accounts Receivable	4,500	2,002,771	1,270,466	3,277,737
CONEJO VALLEY UNIF. SCH. DIST.	574,111	1,417,363	928,146	2,919,619
VENTURA UNIFIED SCHOOL DIST BUDGET & FINANCE	517,904	2,254,856	16,053	2,788,813
MOORPARK UNIFIED SCHOOL DIST	750,181	1,113,237	774,885	2,638,302
AEQUITAS SOLUTIONS	684,861	874,341	892,770	2,451,973
Healthy Campus LLC dba Campus Clinic LLC	-	1,342,720	1,074,176	2,416,896
Waisman Construction Inc	1,388,266	924,094	9,570	2,321,930
US BANK CORPORATE PYMT SYSTEM	741,115	826,247	716,834	2,284,196
SO. CALIFORNIA EDISON CO.	717,426	758,187	761,475	2,237,089
KELLY CLEANING & SUPPLIES INC.	603,937	607,435	614,898	1,826,269
FILLMORE UNIFIED SCHOOL DIST	577,225	595,269	531,994	1,704,487
SANTA PAULA UNIFIED SD	420,844	593,518	645,001	1,659,363
OXNARD ELEM SCHOOL DIST.	484,945	457,062	592,020	1,534,027
ISSQUARED, INC	1,040,687	216,209	197,863	1,454,760
VENTURA UNIFIED SCHOOL DIST.	290,163	269,670	698,897	1,258,730
The Drala Project, Inc The REDESIGN Group	72,584	1,097,675	-	1,170,259
AMAZON CAPITAL SERVICES	415,340	387,454	355,620	1,158,415
HOPSKIPDRIVE, INC.	547,527	586,986	5,038	1,139,551
PLEASANT VALLEY ELEM. S.D.	321,561	395,877	407,537	1,124,976
CDW GOVERNMENT, INC.	293,254	364,275	427,270	1,084,799
Amicolor Inc.	347,595	320,605	327,163	995,364
HUENEME SCHOOL DIST.	759,607	101,420	110,710	971,738
SANTA BARBARA CO. OFFICE OF ED	365,622	284,299	317,563	967,484
SAN LUIS OBISPO COE	338,010	150,157	471,005	959,172
J & H ENGINEERING GENERAL CONTRACTORS, INC.	-	-	922,477	922,477
RIO ELEMENTARY SCHOOL DISTRICT	132,635	330,910	440,895	904,441
BMAC DBA COMPUWAVE	211,062	313,252	323,105	847,419
ALLIANCE ONE, LLC For Account of: The Genesis Group Inc	288,010	467,002	10,884	765,896
CHILD DEVELOPMENT RESOURCES	205,454	376,651	160,607	742,712
SIMI VALLEY UNIFIED SCHOOL DISTRICT	320,606	172,058	237,826	730,489
OJAI UNIF. SCH. DIST.	219,018	183,180	276,685	678,883
Landscape Development, Inc. (Enhanced Landscape Management)	166,785	204,739	297,819	669,343
TRI COUNTIES SHEET METAL WORKERS JATC	354,769	109,703	198,385	662,857
Charter Communications	73,559	319,060	229,019	621,638
SIRAS SYSTEMS, INC.	231,914	233,289	141,257	606,460
RICOH USA INC.	198,284	195,259	196,093	589,636
Other Vendors < \$500,000*	12,882,803	12,241,166	12,029,981	37,153,950
Total	\$ 39,623,265	\$ 46,143,125	\$ 41,950,005	\$ 127,716,395
<i>* For purposes of this table, we have combined the total payments for 1,833 other vendors with total payments less than \$500,000. Detail of payments to all vendors is provided in Appendix I.</i>				

V. Vendor Payments Selected for Further Review

Based on information gathered from interviews and data analysis of vendor transaction detail, we selected a risk-based sample of payments to vendors and contractors for further review, comprised of 68 payments to 31 vendors totaling over \$7 million, as summarized in the table below and detailed in **Appendix J**.

Vendor	Description of Services	Invoices	Payment Amount
First Student, Inc.	- Pupil Transportation, RFB 20180701 - Pupil Transportation, RFP 20230701	5	\$1,046,176
Aequitas Solutions	Tech License	1	\$833,613
Siras Systems, Inc.	- SIRAS-IEP Customized Database 7/1/23-6/30/25: Semi-Annual - SIRAS-IEP Customized Database 7/1-6/30/27: 25-26 semi-annual	6	\$602,940
Amicolor Inc.	- VCOE Events - VCOE Branded Items 2026 All Staff Gathering	10	\$590,054
The Drala Project, Inc. The Redesign Group	VxRail Migration - Dell PowerEdge & PowerStore	1	\$531,116
J&H Engineering General Contractors, Inc.	Pavement/Landscaping	1	\$478,948
Waisman Construction Inc.	Construction Services CEC Welding	1	\$438,795
The CTI Group, Inc.	Newline with OPS	1	\$296,980
Ardalan Construction Company	MTU at Glenwood ES	1	\$280,631
SELPA Administrators of Calif	P2P 2024 ADR Conference	1	\$267,478
Tricia S. Jones	ADR Trainings/Coaching	1	\$162,600
Encore Welding and Industrial LLC	Shop Equipment	1	\$153,486
Medical Billing Technologies, Inc.	SIRAS-IEP Customized Database 7/1/25 - 6/30/27	1	\$141,257
Perkins Eastman Architects	Gateway New 8 Classroom Design	1	\$136,847
Capitol Advisors Group, LLC	Capitol Advisors Group, LLC Invoice	2	\$120,000
Perfection Painting Corp	ASC/CESC Painting	1	\$112,100
Teaching For Biliteracy, LLC Center Teaching For Biliteracy	6 Day In-Person Professional Development	3	\$110,110
ERC	- TUPE Tier 1, Tier 2 and CTA Programs - Research & Evaluation for TUPE Tier 1, Tier 2	8	\$100,000
Wyatt W. Underwood & Associates, LLC	Synthetic Turf Project: 7/7/25-7/22/25	1	\$77,532
Valor Construction, Inc.	Landscape Improvements	1	\$69,002

Vendor	Description of Services	Invoices	Payment Amount
Amazon Capital Services	• LI Treatment Tables • Wellness Center/Peer Training Supplies 2/1-2/2/24 • PEI/WC Coordinator Meeting #4 Supplies 4/1/24 • Supplies for COP events 4/24/24 & 4/26/24 • MS P.E equipment • Amazon order • Wellness Peers/Mental Health Month 5.1.25 • PEI Wellness Fairs part two • Wellness Fair Supplies	9	\$66,034
Bodagger Enterprises Inc. DBA Bodagger Builders	• Construction Services and Repairs	1	\$65,817
Shane Safir	• County Equity Conference/Workshop 3.10-3.11.25	1	\$63,309
ALAS Academic Language	• PD for Best Practices for Multilingual Learners	1	\$60,000
Thompson Family Jewelers LLC	• All Staff Gathering 2026	2	\$51,400
First 5 Ventura County	• Participation in Quality Improvement System	1	\$50,000
Brett Zandes GFI Solutions Consult 4 Kids	• STEAM Train the Trainer Professional Development	1	\$40,000
All It Takes	• Emotional Intelligence & Resilience Program	1	\$34,425
Nathan Charles Wheatley Wheatley Fence Co.	• Fence Replacement: progress payment as of 8/7/24	1	\$20,000
Collaborative Learning Solutions, LLC	• For Contract C24-00039 Complete	1	\$19,550
US Bank Corporate Pymt System	• 2025 Empire Process Agreement - Mock Trial	1	\$10,537
Total		68	\$7,030,735

For the 68 payments selected for further review, Weaver reviewed supporting documentation, including bids, quotes, proposals, requisitions, contracts, purchase orders, invoices, and payment records, among other supporting documentation. We evaluated the vendor selection process (e.g., competitive bidding), as well as compliance with local policies, California Education Code, as well as California Public Contract Code.

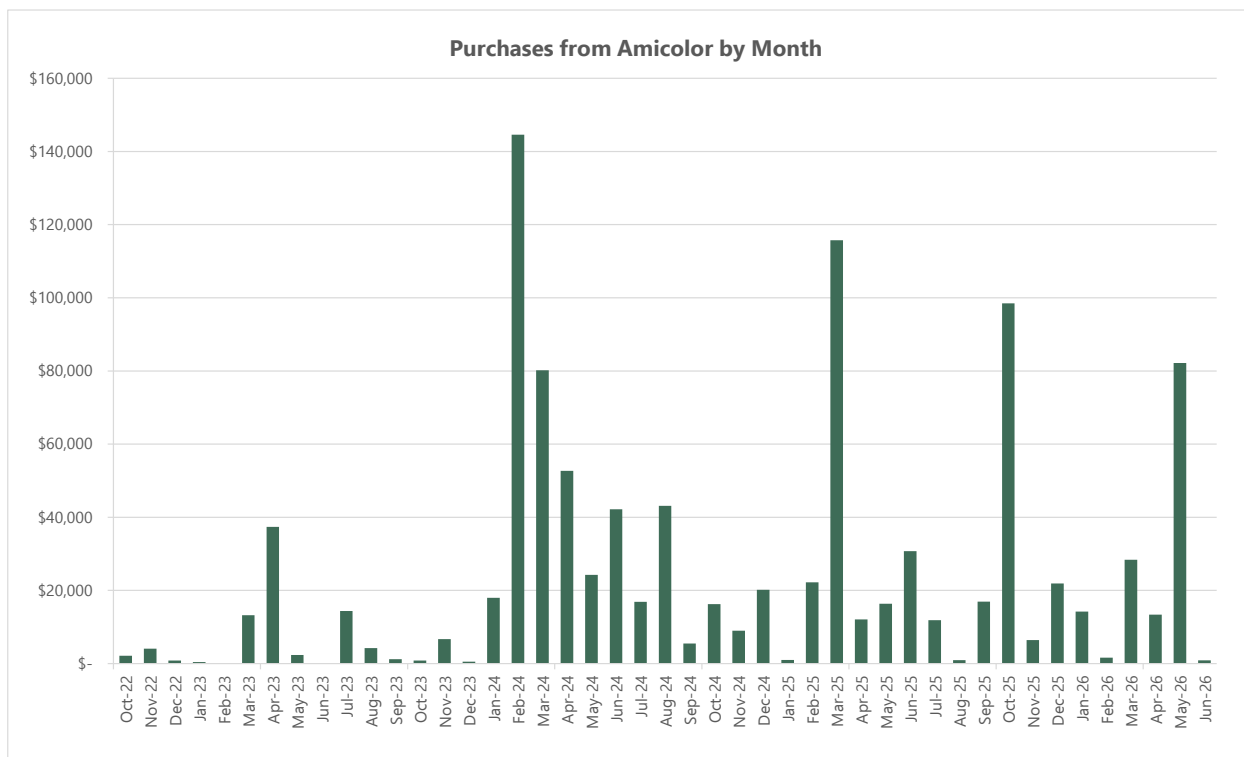
VI. Summary of Findings

A summary of Weaver's observations and findings based on our review and of payments to vendors and contractors is outlined below.

a. Increase in Purchases from Amicolor for Promotional Items

Based on our review of payments to Amicolor, Inc. ("Amicolor"), we identified 143 payments totaling \$995,364 during the July 2023 – June 2026 time period for promotional items with VCOE's logo (e.g., mugs,

Yeti cups, gym bags, etc.).²⁶ We determined that Amicolor was initially added as a vendor in VCOE's ERP system in August 2022 to provide branded apparel and promotional items, and VCOE began purchasing from Amicolor in October 2022. We determined that purchases from Amicolor for promotional items increased starting in February 2024, as illustrated in the table below.



Based on our review of email communications, the increase in purchases through Amicolor in February 2024 appeared to be the result of an initiative to promote the VCOE brand through giving away promotional items at VCOE events. On February 7, 2024, Ms. Key sent the following email to VCOE leadership regarding "VCOE Branded Items for Events": (**See Exhibit 13**)

We have quite a few large scale events coming up and we have the privilege and honor to be able to promote the wonderful programs and services being provided to public education by VCOE with branded items. The items we share with our VCOE brand, promotes and serves the public purpose of all things public education in Ventura County! The more people utilizing VCOE branded items, the more miles we get on promoting public education.

²⁶ Amicolor Inc. ("Amicolor") is a branding and promotional solutions company offering several customizable branded products and printing services based in Ventura County, California. They specialize in supplying highly customizable corporate gifts, custom apparel, and branded promotional merchandise designed for businesses, schools, and events; <https://www.amicolor.com/>.

We are pursuing a large order of VCOE branded items to have in stock for the volumes of events that happen frequently. There have been folks asking to use the "leftover" VCOE branded items after large events, for other smaller events. Instead of folks scrounging, we will stock quantities of items to be available for use. This does not prevent individually added event, program or department details added to regular VCOE branded items. For example, at the Equity Conference there might be a notepad of paper included that has the Equity Conference details, included with some other VCOE items. (made up example only and not for certain!).

If folks ask if they can order specific items for individual events, the guidance is that we always include the standard VCOE logo with the County Superintendent of Schools and Dr. César Morales.

There is a small list of items so far and if there is anything specific you desire to add to the list of VCOE branded items, please let me know. Here is the list so far:

Grocery bag (several types and colors)

Tote

First Aid kit

Pens

Highlighters

Sticky pads

Notepads

Notebook

Journal

Water Bottle

If we collaborate and think about the amount of events during any given year, we can use our purchasing power for better pricing and also have consistent VCOE branded items being used throughout the county - parents, students, staff and community members.

Keep those ideas flowing everyone. Teamwork is the dreamwork!

While documentation was not available for every purchase related to competitive pricing, for certain purchases where we identified comparable quotes from other vendors, the pricing offered by Amicolor was lower. Based on our interview of VCOE's Purchasing Director, it is also our understanding that the Purchasing Department identified Amicolor as a new potential vendor in 2022 as the prior vendor used by VCOE for promotional items was closing, and Amicolor was a local business based in Ventura County.

As a result of the initiative for stockpiling VCOE branded items for future events, it is our understanding that promotional items sat in storage and were often distributed to VCOE employees at VCOE events. The

use of public funds to promote public education raises concerns of potential wasteful spending. The inclusion of the Superintendent's name with the VCOE logo on branded items also raises concerns about whether the branded items serve to promote VCOE or the Superintendent, especially given that it's an elected position, though no violations of policy or government code were identified.

b. Lack of Supporting Documentation for Competitive Pricing for Certain Purchases

Based on discussions with VCOE, efforts are generally made by the Purchasing Department to assess the reasonableness of vendor pricing prior to making purchasing decisions in accordance with VCOE's Superintendent Administrative Regulation 3311: Bids, whereby:

"The Purchasing Office will review all requisitions to determine the best possible price for equal quality and select the vendor based on the best price in accordance with Public Contract Code. The County Superintendent authorizes the Purchasing Office to select the vendor with the best price even if it is a different vendor than the department preselected so long as the item is the same."

However, it is our understanding that documentation associated with pricing information from vendors that may have been considered but not selected, is not required to be retained. Therefore, documentation evidencing the consideration of alternative pricing options was not available for our review.

Additionally, although the Superintendent's administrative regulation references adherence to California Public Contract Code ("PCC") regarding requested purchases, it is our understanding that goods and services subject to requirements under the California PCC pertain to purchases related to public works projects, construction, and specific professional service contracts, among others. County offices of education such as VCOE may generally not be required to follow those provisions for routine operational purchases. **(See Exhibit 14)**

c. Review of Potential Conflict of Interest for Siras Systems

Our selection of vendors and contractors for further review included Siras Systems, Inc ("Siras Systems"), based on information provided to Weaver about a VCOE employee being affiliated with the vendor. Specifically, we became aware that Ms. Della Gatta, VCOE's Assistant Superintendent of SELPA, was presently married to a co-founder of Siras Systems, which received over \$200,000 per year from VCOE.

Based on further investigation of this matter, we determined that Siras Systems has been a vendor for VCOE since 2010, providing a customized database system for the Ventura County SELPA to assist special education teachers.²⁷

We also determined that Ms. Della Gatta began working with Ventura County SELPA as a Director in 2014, and became an Executive Director in or around January 2024, before being promoted to the Assistant Superintendent for Ventura County SELPA in July 2025. We determined that in 2021, Ms. Della Gatta married her current husband, Brian Marcontell, who was a cofounder and Vice President for Siras Systems at the time. We determined that after they became married, Ms. Della Gatta disclosed her affiliation with Siras Systems, including a disclosure on her Form 700 Statement of Economic Interests each year since 2021.²⁸

We also determined that the authorization process to approve contracts with Siras Systems was rerouted to avoid Ms. Della Gatta being involved in the contracting, approval or payment process, as to avoid any potential conflict of interest. Contract authorization documents confirmed that Lisa Cline and Kerry Newlee signed off on contract authorizations related to Siras Systems, in lieu of Ms. Della Gatta.²⁹ Additionally, our review of email communications did not identify any evidence of involvement by Ms. Della Gatta in the approval of contracts for Siras Systems.

Based on our review, we did not identify evidence of an improper conflict of interest between Ms. Della Gatta and Siras Systems. VCOE had an established business relationship with Siras Systems prior to Ms. Della Gatta being employed by VCOE, as well as prior to Ms. Della Gatta's marriage to Mr. Marcontell. Following their marriage, the relationship was disclosed, and responsibilities for contract administration, approvals, and payment processing related to Siras Systems were reassigned to other personnel, thereby removing Ms. Della Gatta from involvement in matters associated with Siras Systems.

²⁷ The Ventura County Special Education Local Plan Area ("SELPA") is a consortium of all the public school districts in Ventura County, the Las Virgenes Unified School District, and the Special Education programs of the Ventura County Office of Education; <https://www.vcselpa.org/Our-SELPA>.

²⁸ <https://www.fppc.ca.gov/search-filings/form-700-search/>; The California Form 700, also known as the Statement of Economic Interests, is a public disclosure document that public officials, candidates, and designated public employees must file to report their personal financial interests.

²⁹ Our review of payments to Siras Systems included review of the contract agreements between VCOE and Siras Systems. Two (2) agreements were within the scope of our review, one contract executed in 2023 and another one executed in 2025. Further review of these agreements did not identify any involvement by Ms. Della Gatta. The 2023 agreement was executed by Dr. Morales, Lisa Cline, and Ms. Della Gatta's predecessor. The 2025 agreement was executed by Lisa Cline.

C. Credit Card Expenditures (CAL-Card)

I. Scope of Work

The scope of work of the forensic audit included the review of credit card ("CAL-Card") expenditures made by the Superintendent and Cabinet members during the FY2024-FY2026 time period.

II. Work Performed

Weaver performed the following work steps in our review of CAL-Card expenditures:

- Reviewed VCOE Superintendent Policy No. 3350 Subject: Travel and Credit Card Policy, and VCOE's Policies and Procedures Manuals in effect during the review period;
- Conducted interviews with Cabinet members and personnel within Internal Business Services to gain an understanding of VCOE's CAL-Card practices.
- Performed analysis of CAL-Card transaction data for the FY2024-FY2026 time period, including analyses of CAL-Card expenditures by merchant and cardholder.
- Obtained and reviewed supporting documentation for CAL-Card transactions including invoices, receipts, and expense reports, among other documentation.
- Evaluated compliance of CAL-Card expenditures with policies and procedures for CAL-Card purchases.

III. Policies and Procedures

a. Background on CAL-Card Program

The CAL-Card Program is the State of California's purchase card program, established to provide state and publicly funded local agencies with a centralized and efficient method for procuring goods and services. Through a leveraged procurement agreement, participating agencies may issue purchase cards to authorized cardholders for routine purchases, subject to established spending controls, merchant category restrictions, and centralized billing processes. The program is intended to improve purchasing efficiency and payment flexibility while supporting agency oversight of cardholder activity and compliance with operational procurement requirements.

b. Overview of VCOE Policies & Procedures

VCOE's Superintendent Policy No. 3350 – Certification and Receipt of Credit Card establishes general cardholder limits of \$5,000 for a single transaction and \$5,000 per card over a 30-day period.

After transactions are posted each month, cardholders are required to reconcile the monthly statement to the U.S. Bank CAL-Card Monthly Log. Each transaction should include the transaction date, a description of the business purpose, applicable account coding, and supporting documentation, such as original itemized receipts, travel or conference approvals, agendas, registration confirmations, and other relevant records. Cardholders are required to upload receipts and supporting documentation to the banking portal administered by U.S. Bank. In instances where a receipt is missing and cannot be obtained from the vendor, a Certification of Lost Receipt is required to be completed. The completed monthly statement, transaction log, receipts, and supporting documentation are required to be reviewed and signed by both the cardholder and immediate supervisor before being submitted to the Purchasing Department.

IV. Summary of CAL-Card Expenditures for All Cardholders

Based on our review of payments in VCOE's check register to the administrator of the CAL-Card program (U.S. Bank), we identified total CAL-Card expenditures of approximately \$2.3 million during the FY2024 – FY2026 time period across all cardholders. A summary of CAL-Card expenditures for all cardholders by month is provided in the table below.

Summary of CAL-Card Expenditures by Month (All Cardholders)				
Month	FY2023-24	FY2024-25	FY2025-26	Total
July	\$ 39,108	\$ 52,669	\$ 33,891	\$ 125,669
August	50,523	47,704	60,384	158,611
September	56,465	61,787	64,599	182,851
October	62,604	63,173	65,086	190,863
November	63,414	78,667	83,971	226,052
December	64,048	46,924	43,333	154,305
January	50,149	54,972	34,729	139,850
February	44,970	85,902	67,275	198,148
March	98,258	80,804	62,744	241,806
April	54,441	81,867	87,072	223,380
May	86,776	88,013	72,701	247,490
June	70,360	83,764	41,047	195,172
Total	\$ 741,115	\$ 826,247	\$ 716,834	\$ 2,284,196

V. Analysis of CAL-Card Expenditures for Superintendent and Cabinet

We performed further review of CAL-Card expenditures for the Superintendent, Dr. Morales, and Cabinet members during the review period, including a review of transaction detail from monthly CAL-Card statements and supporting documentation (e.g., expense reports, receipts and invoices).

a. Expenditures by Cardholder

We identified approximately 1,500 transactions totaling over \$286,000 for the seven (7) cardholders, including the Superintendent and Cabinet members, which represented approximately 12.5% of total credit card expenditures through the CAL-Card program during the review period. A summary of CAL-Card expenditures by cardholder to the Superintendent and Cabinet members is provided in the table below.

Summary of CAL-Card Expenditures by Cardholder (Supt. and Cabinet)				
Cardholder	FY2023-24	FY2024-25	FY2025-26	Total
Dr. Cesar Morales	\$ 28,100	\$ 27,590	\$ 21,768	\$ 77,459
Dr. Consuelo Hernandez Williams	19,057	14,927	16,613	50,597
Dr. Juan Santos	13,780	15,676	8,649	38,105
Lisa Salas Brown	13,511	14,316	7,764	35,590
Joanna Della Gatta	9,103	18,519	4,907	32,529
Misty Key	12,296	12,415	6,499	31,209
David Schermer	1,864	9,473	9,459	20,796
Total	\$ 97,710	\$ 112,916	\$ 75,659	\$ 286,285

b. Expenditures by Merchant

Based on our analysis of transaction detail included in the CAL-Card statements, we identified approximately 350 merchants associated with CAL-Card expenditures for the Superintendent and Cabinet. A summary of CAL-Card expenditures by merchant during the review period is provided in the table below (for merchants with total purchases over \$2,500), with additional detail for all merchants included in **Appendix K**.

Summary of CAL-Card Expenditures by Merchant (Supt. and Cabinet)				
Merchant	FY2023-24	FY2024-25	FY2025-26	Total
Southwest Airlines	\$ 10,297	\$ 14,364	\$ 10,642	\$ 35,303
California School Boards Association	10,014	11,442	2,646	24,102
Hilton	5,441	4,000	2,239	11,681
Hyatt	5,126	3,975	1,896	10,997
California County Superintendents	25	1,917	8,979	10,922
Marriott	2,134	4,859	1,799	8,792
CALSA	4,551	1,800	1,850	8,201
Embassy Suites	1,033	5,716	1,238	7,988
United Airlines	1,513	3,600	2,320	7,433
Hilton Garden Inn	2,495	3,219	-	5,714
Bob Hope Airport	1,330	2,662	1,379	5,371
Uber	1,796	1,861	1,399	5,056
Kimpton Sawyer Hotel	1,760	-	3,174	4,934
ACSA	4,322	349	99	4,770
Old New York Deli	2,640	894	1,232	4,766
Westin Hotel	2,425	2,024	205	4,653
Disneyland Resort	2,076	-	1,899	3,974
Sheraton	1,032	982	1,595	3,609
Calspra	475	1,549	1,400	3,424
Ventura Parks	-	2,000	1,035	3,035
School Services Of California	1,170	470	1,150	2,790
Courtyard	435	1,445	847	2,728
Mixteco.Org	-	-	2,644	2,644
Residence Inn	1,439	1,064	-	2,504
<i>Other Merchants with Totals <\$2,500</i>	<i>34,181</i>	<i>42,723</i>	<i>23,992</i>	<i>100,895</i>
Total	\$ 97,710	\$ 112,916	\$ 75,659	\$ 286,285

c. Expenditures by Category

As part of our review, Weaver categorized each of the approximate 1,500 CAL-Card expenditures incurred by the Superintendent and Cabinet during the review period. A summary of CAL-Card expenditures by category is provided in the table below.

Summary of CAL-Card Expenditures by Category (Supt. and Cabinet)				
Category	FY2023-24	FY2024-25	FY2025-26	Total
Hotel/Lodging	\$ 34,106	\$ 38,011	\$ 23,540	\$ 95,657
Conference/Registration	27,912	23,869	22,839	74,620
Airfare	11,810	19,130	14,395	45,335
Food/Beverage	14,285	13,483	8,031	35,800
Ground Transportation	3,108	3,099	1,671	7,879
Other - Miscellaneous	936	4,332	2,447	7,714
Parking	1,860	2,816	1,447	6,123
Membership	1,600	1,635	400	3,635
Digital Advertising	274	2,664	420	3,358
Event Fees	-	3,169	-	3,169
Train Transportation	550	492	149	1,191
Job Posting	935	-	-	935
Subscription	333	216	321	870
Total	\$ 97,710	\$ 112,916	\$ 75,659	\$ 286,285

VI. Summary of Findings

A summary of findings from Weaver's review of CAL-Card expenditures for the Superintendent and Cabinet is outlined below.

a. CAL-Cards Primarily Used for Travel Purchases

Based on our categorization of CAL-Card expenditures, we determined that approximately 94% of CAL-Card expenditures incurred by the Superintendent and Cabinet pertained to travel, including hotel/lodging, registration for conferences, airfare and meals. Non-travel expenditures included purchases related to memberships, digital advertising, job postings and subscriptions.

b. Missing or Incomplete Supporting Documentation for 84 Transactions

Based on our review of supporting documentation for the approximate 1,500 CAL-Card expenditures for the Superintendent and Cabinet, we identified 84 transactions totaling \$10,495 where supporting

documentation was missing, incomplete, or a Certification of Lost Receipt was provided, as summarized in the table below, with detail of our analysis for all 84 transactions provided in **Appendix L**.

Transactions with Missing or Incomplete Supporting Documentation (Supt. and Cabinet)		
Category	Count	Amount
Incomplete Supporting Documentation (e.g., missing price and/or date)	36	\$ 8,279
Missing Supporting Documentation (e.g., receipt or invoice)	11	1,147
Missing Receipt but Included Certification of Lost Receipt	37	1,068
Total	84	\$ 10,495

c. Reimbursements Paid Back to VCOE for 41 Transactions

Based on our review of supporting documentation for the approximate 1,500 CAL-Card expenditures for the Superintendent and Cabinet, we identified 41 transactions where supporting documentation indicated that all or a portion of the expense was repaid back to VCOE by the individual; either due to an inadvertent personal purchase or the cardholder exceeded the allotted limit for meals. The total repayment amount for the 41 transactions totaled \$1,409, with Weaver identifying a copy of the check reimbursement paid to VCOE for all 41 transactions. A summary of the 41 transactions reimbursed back to VCOE is provided in the table below, with detail of our analysis for all 41 transactions provided in **Appendix M**.

Transactions Reimbursed to VCOE (Supt. and Cabinet)			
Category	Count	Amount	Repayment
Reimbursements for Exceeding Allotted Meal Limit	23	\$ 3,496	\$ 455
Reimbursements for Inadvertent Personal Purchase	18	1,642	954
Total	41	\$ 5,138	\$ 1,409

D. Expense Reimbursements

I. Scope of Work

The scope of work of the forensic audit included the review of expense reimbursements paid to employees during the FY2024-FY2026 time period.

II. Work Performed

Weaver performed the following work steps in our review of expense reimbursements:

- Reviewed VCOE Superintendent Policy No. 3350 Subject: Travel and Credit Card Policy, Administrative Regulation No. 3350: Travel Expense, and VCOE's Policies and Procedures Manuals in effect during the review period;
- Conducted interviews with Cabinet Members and employees within Internal Business Services to gain an understanding of VCOE's expense reimbursement process;
- Performed analysis of expense reimbursement data for the FY2024-FY2026 time period, including an analysis of expense reimbursements by employee;
- Selected a risk-based sample of expense reimbursements for further review, including large or unusual purchase amounts, or payments in which the business purpose was unclear;
- Obtained and reviewed supporting documentation for expense reimbursement transactions, including invoices, receipts, mileage and expense reports, among other documentation; and
- Evaluated expense reimbursements for compliance with VCOE and Superintendent policies and procedures.

III. Policies and Procedures

a. Overview

The VCOE Superintendent Policy No. 3350 – Travel and Credit Card and Administrative Regulation 3350 – Travel Expense establishes the requirements for employee travel approval, reimbursement, and supporting documentation. Superintendent Policy No. 4156.32 – Reimbursement or Replacement of Property establishes guidance for reimbursement or replacement of employee property, as applicable.

Policies required reimbursement requests to be submitted using either the Travel Expense Claim Form or the Employee Reimbursement Claim Form, and include sufficient detail to demonstrate that expenses were reasonable and directly related to the stated business purpose. Both claim forms required original itemized receipts for all expenses, along with the employee's signature and the Department approval signature.

b. Unallowable Expense Reimbursements

Superintendent Policy No. 3350 identifies the following as unallowable expenses: personal travel costs, alcohol, entertainment, laundry, expenses incurred by accompanying family members, personal automobile use, personal losses, and traffic violations.³⁰

IV. Summary of Expense Reimbursements

Based on our review of transaction detail in VCOE's check register, we identified expense reimbursement payments to VCOE employees totaling \$902,490 during the FY2024–FY2026 time period, which included approximately 5,300 expense reimbursements to 485 employees. A summary of expense reimbursements by employee by fiscal year is presented in the table below (for employees with total expense reimbursements over \$7,000), with expense reimbursements for all employees included in **Appendix N**.

Summary of Expense Reimbursement by Fiscal Year				
Employee	FY2023-24	FY2024-25	FY2025-26	Total
Arleigh D. Kidd	\$ 6,239	\$ 6,386	\$ 6,144	\$ 18,769
Joanna V. Della Gatta	5,067	4,356	8,053	17,476
Tina A. Kermani	5,372	5,397	6,285	17,055
Lisa R. Fischinger	4,605	4,027	6,206	14,837
Yvonne M. O'Kane	4,589	5,030	4,739	14,357
Roberta A. Howard	5,031	3,252	3,218	11,500
Isabel Crowningshield	2,707	4,050	3,832	10,590
Patricia A. Martin	3,397	4,230	2,823	10,450
Suzanne E. Weist	2,852	1,850	5,250	9,952
Maria D. Ponce-Montanez	647	5,773	3,453	9,873
Dezi Dones	2,408	4,537	2,554	9,499
Michael P. Teasdale	5,350	2,721	1,286	9,357
Ruben Ramirez Jr.	2,351	3,119	3,682	9,151
Kelly A. Cox	2,661	2,877	3,526	9,063
Debra A. Lackey	4,641	4,087		8,727
Erica G. Perez	2,372	2,256	3,824	8,452
Snyder A. Marengo	2,299	2,898	3,080	8,278
Jacqueline Avena	1,121	2,204	4,844	8,169
Yael L. Forman	2,661	2,781	2,628	8,070
Andres O. Ceja	4,262	2,093	1,186	7,541
Phoebe Moore	1,979	2,737	2,635	7,351
Melbourne F. Aquino	3,250	2,603	1,378	7,231
Other Employees with Totals <\$7,000	223,136	216,611	226,997	666,744
Total	\$ 298,996	\$ 295,873	\$ 307,621	\$ 902,490

³⁰ The VCOE Classified School Employee Teacher Credentialing Program (CSEP) provides tuition reimbursement funding of up to \$4,000 per year for employees through VCOE's partnerships with colleges, universities, and Ventura County school districts.

V. Expense Reimbursements Selected for Further Review

We performed data analytics to identify higher risk expense reimbursements based on attributes such as dollar amount, reimbursement description, and other anomalies or potential red flags. Based on our analysis, we selected a risk-based sample of expense reimbursements for further review and testing, which included a review of supporting documentation such as Travel Expense Claim Forms, receipts and invoices, among other available supporting documentation. The selected sample consisted of 40 expense reimbursements totaling approximately \$52,000. A summary of the expense reimbursements selected for further review is provided in the table below, with detail of our analysis provided in **Appendix O**.

#	Date	Employee	Description	Amount
1	7/18/2024	Alyssa A. Rodriguez	CSEP Reimbursement - Fall 2024 Tuition Fees	\$4,000.00
2	8/16/2024	Andrea Marruffo	TUITION REIMB FALL 2024	\$4,000.00
3	2/14/2025	Daisy L. Perez	CSEP Tuition Fee Reimbursement 2024-25	\$4,000.00
4	5/22/2026	Mayra M. Perez	CSEP-C46 Tuition Reimbursement	\$4,000.00
5	1/12/2026	Audrey L. Stencler	CSEP Tuition Reimbursement 25-26; UMass Global	\$3,234.20
6	11/20/2025	Joaquin Licea	Travel Reimbursement 11.17.25 - 11.20.25	\$2,710.38
7	3/24/2024	Catharine L. Reznicek	CUE Conference travel reimb 03.20.2024-03.24.2024	\$2,326.96
8	12/4/2025	Suzanne E. Weist	TRAVEL REIMB 11.30.25-12.4.25	\$1,938.04
9	2/1/2025	Ashlee B. Nishiya	MILEAGE REIMB 01.28.25-02.01.25	\$1,664.29
10	12/4/2025	Jacqueline Avena	Hotel reimb - Advancing School Mental Health Conf 11/30-12/4	\$1,647.00
11	1/22/2025	Lisa S. Brown	MIT Systems Awareness Research Conf reimb 01.20.25-01.22.25	\$1,601.19
12	5/2/2025	Christina P. Mahone	TRAVEL REIMB 04.30.25-05.02.25	\$1,525.90
13	6/30/2026	Roberta A. Howard	Mileage Reimbursement 2.2.26 - 6.30.26	\$1,498.59
14	2/6/2026	Joanna V. Della Gatta	CAFSE travel reimb 02.03.26-02.06.26	\$1,472.32
15	11/18/2023	Catherine D. Nye	TRAVEL REIMB 11.10.23-11.18.23	\$1,415.40
16	5/1/2024	Suzanne E. Weist	Santa Clara Wellness Centers 04.28.2024-05.01.2024	\$1,388.20
17	10/15/2025	Patricia K. Guerrero	Travel Reimbursement 10.12.25 - 10.15.25	\$1,336.37
18	11/22/2024	Isabel Crowningshield	Mileage Reimbursement 8.19.24 - 11.22.24	\$1,274.21
19	3/18/2026	Maria D. Ponce-Montanez	Speech and Debate Clothing Reimbursement	\$1,190.33
20	4/10/2026	Joaquin Licea	Hackathon Reimbursement	\$1,080.15
21	12/3/2023	Vicki A. Viera	CMC-North Annual Conf travel reimb 12.01.2023-12.03.2023	\$1,041.74
22	3/31/2025	Yvonne M. O'Kane	MILEAGE REIMB 02.03.25-03.31.25	\$1,039.36
23	5/30/2025	Patricia A. Martin	MILEAGE REIMB 04.01.25-05.30.25	\$1,032.15
24	3/18/2026	Maria D. Ponce-Montanez	Speech and Debate Clothing Reimbursement	\$911.27
25	4/30/2026	Lisa R. Fischinger	Mileage Reimbursement 4.1.26 - 4.30.26	\$893.42
26	3/31/2026	Lisa R. Fischinger	Mileage Reimbursement 3.2.26 - 3.31.26	\$777.93
27	6/19/2025	George L. Taulawakeiaho	Supply Reimbursement for AG program at JJC	\$581.25
28	1/30/2026	Juan M. Santos	TRAVEL REIMB 01.28.26-01.30.26	\$427.06
29	9/2/2023	Ruben Ramirez Jr.	Devereux Viera travel reimbursement 08.31.2023-09.02.2023	\$393.17

#	Date	Employee	Description	Amount
30	11/29/2023	Lisa Bork	Travel Reimbursement - Hotel 11/28/23	\$333.74
31	5/22/2026	Beth J. Underberger	BOOKS PURCHASES	\$331.91
32	7/31/2024	Kayla D. McCown	PARTIAL REJECT REPLACE	\$230.00
33	5/13/2026	Bridget Driscoll	Property Damage Reimbursement: Sunglasses	\$123.99
34	10/14/2023	Cesar A. Morales	REISSUE STALE DATED CK 5071932421	\$104.80
35	12/8/2025	Joaquin Licea	Amazon Reimbursement - Hackathon	\$95.51
36	9/16/2023	Daniel Andaya	Personal Property Damage Prescription Eyeware	\$95.00
37	3/12/2024	Cesar A. Morales	TSA PRE ENROLLMENT REIMB	\$78.00
38	10/23/2024	Colleen A. Steed	Gift Cards for Q Day	\$75.00
39	1/23/2025	Stacey M. Braden	Staff Personal Property Damage Stacey Braden	\$42.90
40	11/7/2025	Jose J. Gonzalez	Personal Property Damage Reimbursement - Pants	\$37.71
Total				\$51,949.44

VI. Summary of Findings

A summary of findings from Weaver's review of expense reimbursement is provided below.

a. Prior Approval for Travel-Related Expenses

During the review period, we identified 15 travel-related expense reimbursement transactions in which the employee incurred travel expenses prior to obtaining documented approval from the County Superintendent of Schools or an authorized designee, as required under Superintendent 3350. It is important to note that there may have been authorization that was not documented and therefore not included in the supporting documentation provided to Weaver for our review.

b. Potentially Unallowable Expenses

During the review period, we identified two expense reimbursements that did not appear to meet allowable expense criteria outlined in Superintendent Policy 3350: Travel and Credit Card Policy and Administrative Regulation 3350: Travel Expense. Transaction detail for the transactions identified as potentially allowable is provided in the table below.

Date	Employee Name	Description	Weaver Finding/Observation	Amount
3/12/2024	Cesar A. Morales	TSA PRE ENROLLMENT REIMB	Potentially unallowable per Supt. Policy 3350	\$ 78.00
10/23/2024	Colleen A. Steed	Gift Cards for Q Day	Potentially unallowable per Supt. Policy 3350	75.00
				\$ 153.00

E. Review of Fund 17 and Fund 20 Transactions

I. Scope of Work

The scope of work of the forensic audit included a review of financial activity within VCOE's Fund 17: Special Reserve Fund for Other Than Capital Outlay Projects ("Fund 17") and Fund 20: Special Reserve Fund for Post-employment Benefits ("Fund 20") during the July 2021 – June 2026 time period (FY2022 – FY2026). As part of our review, we analyzed financial data for all transactions during the review period, as well as performed further testing for certain transactions.

II. Work Performed

Weaver performed the following work steps during the forensic audit as part of our review of Fund 17 and Fund 20:

- Reviewed and analyzed financial accounting data from VCOE's Escape ERP system during the FY2022 – FY2026 time period;
- Reviewed budget information provided to the Board, including 1st and 2nd Interim Budgets;
- Reviewed audited and unaudited financial reports during the review period;
- Reviewed VCOE Actuarial Study reports completed annually with detail on liabilities for postemployment benefits;
- Reviewed back-up financial records for incoming and outgoing transfers within Fund 17 and Fund 20;
- Reviewed VCOE Board meeting records (i.e., agendas, minutes, etc.) to identify relevant discussion items, resolutions or other authorizations pertaining to activity within Fund 17 and Fund 20;
- Reviewed email data for relevant communications pertaining to activity within Fund 17 and Fund 20; and
- Conducted interviews with individuals from VCOE's Internal Business Services related to activity within Fund 17 and Fund 20.

III. Background

It is our understanding that Fund 17 and Fund 20 are special reserve funds used by VCOE to set aside funds for specific future purposes. Fund 17 is generally intended to accumulate reserves for non-capital needs and contingencies, while Fund 20 is used to reserve funds for post-employment benefit obligations, such

as retiree benefits. It is our understanding that reserves held in Fund 17 and Fund 20 are ultimately part of the broader financial resources of VCOE's County School Service Fund.³¹

On January 28, 2019, the Board approved Resolution No. 19-02, which established Fund 20 as a special reserve fund for post-employment benefits for VCOE. (**See Exhibit 15**) The fund was created to separately track funds designated to meet future post-employment health benefit obligations, which had previously been tracked within Fund 17. It is our understanding that funds for post-employment benefits within Fund 20 were intended to support a closed group of former VCOE employees eligible for post-retirement lifetime health benefits, who had retired on or before June 30, 1995. Based on our review of the most recent budget and financial records, there were 13 eligible employees still receiving post-retirement lifetime health benefits.

IV. Overview of VCOE Budget Cycle

Based on our review of VCOE's approved budgets, VCOE follows an annual budget development and monitoring cycle that begins with the adoption of its initial budget prior to the start of each fiscal year on or before July 1. VCOE has the opportunity to revise its budget twice throughout the fiscal year through its first and second interim budget updates. These interim budget updates incorporate revised information due to the availability of updated financial information. The first interim budget typically reflects more significant adjustments as updated financial information becomes available, while the second interim budget further refines projections, but tends to include minor adjustments compared to the first interim budget.

V. Analysis of Fund 17

a. Review of Fund Balance and Financial Activity

Based on our review of accounting records from VCOE's Escape ERP system, audited and unaudited financial reports, and approved VCOE budgets including first and second interim budgets, we determined that the fund balance in Fund 17 increased from approximately \$15.6 million in July 2021 to approximately \$26.3 million as of June 2026, an increase of approximately \$10.6 million. Based on our review of general ledger

³¹ According to VCOE's audited financial statements, neither Fund 17 or Fund 20 is substantially composed of restricted or committed revenue sources as required under GASB Statement No. 54 to qualify as separate special revenue funds. As a result, although Fund 17 and Fund 20 remain open for internal reporting purposes, they are treated as extensions of VCOE's County School Service Fund, which serves as VCOE's primary operating fund and accounts for financial resources not reported in another fund.

transaction detail, as well as unaudited financial reports, the increase in fund balance was primarily attributed to \$8 million in internal transfers from the General Fund, as summarized in the table below.³²

Summary of Fund 17 Activity by Fiscal Year					
	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Beginning Balance	\$ 15,609,420	\$ 16,423,229	\$ 19,868,297	\$ 20,647,818	\$ 25,451,748
Total Revenues	(186,191)	445,068	779,522	803,929	801,392
Total Expenditures	-	-	-	-	-
Interfund Transfers	1,000,000	3,000,000	-	4,000,000	-
Ending Balance	\$ 16,423,229	\$ 19,868,297	\$ 20,647,818	\$ 25,451,748	\$ 26,253,140

Revenues for Fund 17 pertained to interest earned and fair market value adjustments. There were no expenditures paid out of Fund 17 during the review period. General ledger transaction detail for Fund 17 is provided as an attachment to this Report (**See Exhibit 17**).

b. Information Provided to the Board

Based on our review of interim budgets presented to the Board, the majority of interfund transfers to the General Fund to Fund 17 occurred after the Second Interim Budgets were presented to the Board, as the transfers typically occurred in the Fall during the year-end close. We determined that \$6 million of the \$8 million transferred from the General Fund to Fund 17 was not included in the budget updates to the Board.

VI. Analysis of Fund 20

a. Review of Fund Balance and Financial Activity

Based on our review of accounting records from VCOE's Escape ERP system, audited and unaudited financial reports, and approved VCOE budgets including first and second interim budgets, we determined that the fund balance in Fund 20 increased from approximately \$5.8 million as of July 2021 to approximately \$10.8 million as of June 2026, an increase of approximately \$5.0 million. Based on our review of general ledger transaction detail, as well as unaudited financial reports, the increase in fund balance was primarily attributed to \$4 million in internal transfers from the General Fund, as summarized in the table below.

³² Unaudited Actuals are the final financial reports for the fiscal year submitted by VCOE before the annual audit is completed. It is our understanding that VCOE does not present the annual Unaudited Actuals to the Board, just the audited financials to the Board for Approval.

Summary of Fund 20 Activity by Fiscal Year					
	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Beginning Balance	\$ 5,831,074	\$ 6,760,554	\$ 8,932,361	\$ 9,221,625	\$ 10,519,527
Total Revenues	(70,520)	171,807	289,264	297,902	309,277
Total Expenditures	-	-	-	-	-
Interfund Transfers	1,000,000	2,000,000	-	1,000,000	-
Ending Balance	\$ 6,760,554	\$ 8,932,361	\$ 9,221,625	\$ 10,519,527	\$ 10,828,804

Revenues for Fund 20 pertained to interest earned and fair market value adjustments. There were no expenditures paid out of Fund 20 during the review period. General ledger transaction detail for Fund 20 is provided as an attachment to this Report (**See Exhibit 18**).

b. Information Provided to the Board

Based on our review of interim budgets presented to the Board, all of the \$4 million in interfund transfers to the General Fund to Fund 20 occurred after the Second Interim Budgets were presented to the Board, as the transfers typically occurred in the Fall during the year-end close. As such, the internal transfers of \$4 million from the General Fund to Fund 20 were not included in the budget updates to the Board.

VII. Summary of Findings

A summary of findings from Weaver's review of financial activity within Fund 17 and Fund 20 during the FY2022 – FY2026 time period is provided below.

a. Transfers Into Fund 17 and Fund 20 Were Directed by Ms. Key

Based on our interviews with VCOE employees, it is our understanding that the \$8 million in transfers from the General Fund into Fund 17 and \$4 million in transfers from the General Fund into Fund 20 during the review period were at the direction of Ms. Key, typically during the year-end closing process. We identified handwritten notes included with journal entries summarizing directives from Ms. Key to transfer funds into Fund 17 and Fund 20, as shown below:³³

³³ Based on our review, the note for FY2022-23 is directing \$3 million to be transferred into Fund 17 and \$2 million to be transferred into Fund 20, per Ms. Key. The note for FY2024-25 is directing \$4 million to be transferred into Fund 17 and \$1 million to Fund 20 per Ms. Key.

FY2022-23	FY2024-25
2022-23 2 m to 8150 \$ fund 20 3 fund 17 retire committ \$2 future off Per Musty IX contribution 9/2023	\$3 mill to 8150 CR 054311 \$2 mill to 9080 CR 059234 \$1 mill fund 20 CR ~~051945~~ \$4 mill fund 17 CR 051945 2 mill CR Per Musty for Special Projects + OPEB

b. Limited Detail Provided for Justification of Transfers

Supporting documentation such as journal entries provided little information about the rationale for the \$8 million in transfers to Fund 17 and \$4 million in transfers to Fund 20. (See Exhibit 16) Based on our review, it also appeared that limited information was shared with the Board regarding transfers into Fund 17 and Fund 20, including justification for the transfers or the intended use of the funds. Based on discussions with VCOE staff, it is our understanding that the transfers into Fund 17 are generally intended to accumulate reserves for non-capital needs and unplanned contingencies, while transfers into Fund 20 are intended to reserve funds for future liabilities associated with the closed group of employees who retired prior to June 30, 1995 and eligible to receive post-employment benefits.

c. Compliance with California Education Code Section 1280

California Education Code, Section 1280 states: *"If a revision in excess of twenty-five thousand dollars (\$25,000) is proposed by the county superintendent of schools to the annual budget of the county superintendent of schools after the county board of education has adopted the budget, the revision shall be incorporated in the next interim financial report or other board report when the report is submitted to the county board of education for discussion and approval at a regularly scheduled public meeting of the county board of education."*

We identified a total of \$12 million in transfers from the General Fund into Fund 17 and Fund 20 during the FY2022 – FY2026 time period, of which only \$2 million were included in the interim budget reports

presented to the Board. We determined that the \$10 million in transfers not included in the interim budget reports were posted during the year-end closing process, typically in September, after the interim budgets had been presented to the Board each year. While we determined that the transfers were included in the audited financial statements, this information was not presented to the Board.

Given that the \$10 million in transfers into Fund 17 and Fund 20 that were not included in the interim budget reports represented revisions to the budget in excess of \$25,000, these transfers may not be in compliance with California Education Code, Section 1280.

F. Other Scopes of Work

I. Consulting Services for FCMAT Provided by Misty Key

During the forensic audit, Weaver was asked to review information related to consulting services provided by Ms. Key to the Fiscal Crisis and Management Assistance Team ("FCMAT"), for which she received separate compensation outside of her position at VCOE. A summary of our observations and findings is provided below.

a. Overview of FCMAT

FCMAT provides support and assistance to TK-14 educational agencies, including school districts, county offices of education, charter schools, and community colleges to address financial, operational, and data management challenges. FCMAT provides management assistance, professional learning, fiscal oversight, fraud reviews, and data management services to help educational agencies maintain fiscal stability, improve operations, and comply with state reporting requirements. When requested by local educational agencies or assigned by state oversight bodies, FCMAT conducts independent reviews, performs on-site fieldwork, and issues reports with findings and recommendations to help resolve issues and strengthen governance and accountability.

b. Outside Employment with FCMAT

During our interview of Ms. Key, she stated that she was selected by FCMAT in 2020 to participate in its Mentor Program, where she assisted with reviews of fiscal processes at other county educational agencies. As required under Superintendent Policy 4113.12 and 4213.12, Ms. Key obtained authorization from the VCOE Superintendent of Schools at that time, Stan Mantooth, which was authorized through VCOE's Outside Employment Approval Request Form. (**See Exhibit 19**) During our interview, Ms. Key indicated that any consulting work performed for FCMAT was conducted either while using vacation leave or outside regular work hours, such as traveling in the evening.

c. Analysis of FCMAT Invoices

In our review of VCOE email communications, we identified 18 invoices submitted by Ms. Key to FCMAT using her VCOE email account during the November 2021 – February 2026 time period. Given that the invoices were sequentially numbered 1 through 25, it appeared that at least 7 invoices were unable to be located in our review of email communications. The 18 invoices identified totaled \$72,585 during the

November 2021 – February 2026 time period, including \$64,538 in consulting fees and \$8,048 in expense reimbursements, as summarized in the table below.

Summary of FCMAT Invoices Identified for Ms. Key				
Invoice Date	Invoice #	Fees	Expenses	Invoice Total
11/12/2021	0005	\$ 3,125.00	\$ 891.59	\$ 4,016.59
5/3/2022	0006	2,875.00	269.44	3,144.44
6/15/2022	0008	3,500.00	690.52	4,190.52
4/14/2023	0009	3,875.00	612.22	4,487.22
9/16/2023	0010	3,500.00	633.24	4,133.24
12/18/2023	0013	2,000.00	-	2,000.00
2/16/2024	0014	3,987.50	579.01	4,566.51
10/1/2024	0015	4,193.75	702.80	4,896.55
11/15/2024	0015*	2,475.00	141.50	2,616.50
12/1/2024	0016	4,468.75	598.96	5,067.71
12/18/2024	0018	2,000.00	-	2,000.00
3/19/2025	0019	4,331.25	615.21	4,946.46
7/22/2025	0020	4,468.75	1,010.93	5,479.68
8/12/2025	0021	4,125.00	-	4,125.00
9/8/2025	0022	4,743.75	570.39	5,314.14
12/18/2025	0023	4,125.00	109.20	4,234.20
12/18/2025	0024	2,000.00	-	2,000.00
2/24/2026	0025	4,743.75	622.92	5,366.67
Total		\$ 64,537.50	\$ 8,047.93	\$ 72,585.43

* We identified two invoices with the Invoice Number 0015

d. Review of VCOE Vacation Time Used for FCMAT Consulting

Superintendent Policy No. 4113.12 / 4213.12 states that *"A VCOE employee shall not perform any work, service, or counsel for outside agencies during the employee's normal VCOE working hours except when the employee is in unpaid status or during supervisor-approved vacation."*

Based on our interview of Ms. Key, she indicated that any consulting work provided to FCMAT was conducted while using vacation leave or performed outside regular work hours. Based on our analysis of the 18 FCMAT invoices prepared by Ms. Key available for our review, we identified 73 days in which she provided consulting services for FCMAT, which included 48 weekdays, 22 weekend days, and three (3) days where the date wasn't provided on the invoice. For the 48 weekdays, we performed additional analysis to cross-reference those days with VCOE timesheet records for Ms. Key to determine whether vacation time

was used. We identified eight (8) instances in which invoice details reflected that Ms. Key provided consulting services for FCMAT (generally for 5-8 hours of travel time to the FCMAT site), but Ms. Key did not use vacation time at VCOE according to her VCOE timesheet records, as summarized in the table below.

Analysis of Weekdays That Ms. Key Provided Consulting Services to FCMAT Without Using VCOE Vacation Time						
Analysis of FCMAT Invoice Detail				Analysis of Ms. Key's VCOE Email Activity		
Date	Weekday	FCMAT Invoice Description	FCMAT Fees	# of VCOE Emails Sent	Earliest Email Sent	Latest Email Sent
1/18/2023	Wednesday	Travel to Monterey county from Camarillo and dinner prep meeting 1/18/23	\$ 1,000.00	31	5:59am PST	6:32pm PST
2/7/2024	Wednesday	Travel to Monterey from Camarillo 2/7/24, 5.5 hours	756.25	13	1:24pm PST	10:52pm PST
9/3/2024	Tuesday	Travel to Fairfield from Camarillo 9/3/24, 7 hours	962.50	8	1:56pm PST	6:57pm PST
11/12/2024	Tuesday	Travel to Oakland from Camarillo and prep time 11/12/24, 7 hours	962.50	24	6:32am PST	9:11pm PST
2/18/2025	Tuesday	Travel to Monterey from Camarillo and prep time 2/18/25, 8 hours	1,100.00	1	6:03pm PST	6:03pm PST
7/8/2025	Tuesday	Travel to Fairfield from Camarillo 7/8/25, 6.5 hours	893.75	26	6:43am PST	9:51pm PST
8/12/2025	Tuesday	Travel to Oakland from Camarillo 8/12/25, 6.5 hours	893.75	6	10:18am PST	7:26pm PST
1/22/2026	Thursday	Travel to Monterey 1/22/26, 5.5 hours	756.25	20	9:07am PST	3:25pm PST

Based on our analysis of Ms. Key's VCOE email activity for the eight (8) days included in the table above, it appeared that Ms. Key was typically working remotely on VCOE business while traveling, as evidenced by the number of sent emails and the timestamp of the first and last email sent that day. We noted that on February 18, 2025, Ms. Key charged FCMAT for eight (8) hours while traveling to Monterrey, did not use vacation time at VCOE, and only sent one (1) email at 6:03pm.

II. Trips to London for Ventura County Self-Funding Authority

During the forensic audit, Weaver was asked to review information related to Ms. Key's travel to London, England, in connection with her role on the Executive Committee of the Ventura County Self-Funding Authority ("VCSSFA"), a Joint Powers Authority ("JPA") and separate entity from VCOE. Specifically, Weaver was asked to determine whether any travel expenditures for the trips to London were charged to VCOE.

During our interview of Ms. Key, she stated that VCSSFA sought access to international insurance markets because domestic carriers were charging California entities significantly higher premiums following major wildfires, including the Thomas Fire and Woolsey Fire. The trips were undertaken to meet with Lloyd's of

London and other international insurance underwriters to support VCSSFA's efforts to secure property insurance coverage, which ultimately became part of VCOE's layered property insurance program.

VCSSFA's Executive Director, Ms. Elizabeth Atilano-Melvin, and other members of VCSSFA's Executive Committee also attended the London trips. Ms. Key stated that she traveled to London twice with VCSSFA for meetings with Lloyd's of London, but did not attend every year; in some years, other district superintendents traveled instead. It is our understanding that spouses were invited on the trips, but their travel expenses were not paid by the VCSSFA.

Wever determined that travel expenses associated with the trips to London were paid by VCSSFA, and we did not identify any expenditures incurred by VCOE.

Appendices and Exhibits
