



## SHEEHY STRATEGY GROUP

### JLAC MEMORANDUM

For Hearing 3-24-26

**To:** Members and Staff, Joint Legislative Audit Committee

**From:** Sheehy Strategy Group

**Date:** March 17<sup>th</sup>, 2026

**Subject:** Concerns Regarding Proposed Audit Request of the Orange County Board of Education

---

#### Background

Members of the Legislature are being asked to consider a request by Senator Tom Umberg directing the California State Auditor to conduct a broad financial and performance audit of the Orange County Board of Education (OCBE).

Legislative oversight is an essential component of accountable government. However, the circumstances surrounding this request raise important questions about whether such an audit is warranted and whether it represents the most appropriate use of the State Auditor's limited resources.

Over the past four years, multiple legislative proposals have sought to change how members of the Orange County Board of Education are elected. In 2022, **Senator Dave Min introduced SB 286**, which would have moved OCBE trustee elections from the June primary ballot to the November general election. The proposal raised concerns among legislators regarding local control as well as the potential fiscal impact to the state since the change would likely have constituted a reimbursable state mandate.

In 2024, **Senator Josh Newman introduced SB 907**. That measure similarly proposed moving OCBE elections to the November ballot and would have expanded the board from five members to seven while requiring a mid-cycle redistricting process. Although SB 907 passed the Legislature, Governor Gavin Newsom vetoed it, citing concerns about the fiscal impact on the state and the precedent of overriding local governance structures.

In 2025, **Senator Umberg introduced SB 249**, which again sought to move county board of education elections, including those in Orange County, from the spring primary ballot to the November general election ballot. Like the earlier proposals, SB 249 raised concerns about local control and potential state mandate costs, and ultimately it did not pass the Legislature.

Taken together, these proposals represent three legislative attempts within four years to change the election structure governing the Orange County Board of Education.

---

## **Current Audit Request**

Following these unsuccessful legislative efforts, Senator Umberg has requested that the Joint Legislative Audit Committee direct the State Auditor to conduct a wide-ranging review of OCBE operations.

The proposed audit would examine governance decisions, litigation activity, charter school authorization practices, contracting procedures, compliance with civil-rights statutes, and adherence to transparency laws such as the Brown Act and Public Records Act.

---

## **Concerns with the Proposed Audit**

### **1. Absence of Documented Misconduct**

Historically, JLAC has directed the State Auditor to conduct audits where credible evidence exists of waste, fraud, abuse, or significant breakdowns in program administration. In this instance, the request does not cite findings from oversight agencies, substantiated whistleblower complaints, or financial irregularities involving OCBE.

The issues referenced in the audit request appear largely to be related to policy disputes and litigation activity rather than to documented governance failures.

### **2. Risk of a “Fishing Expedition” Audit**

The State Auditor traditionally avoids broad “fishing expedition” audits that are not tied to clearly documented concerns. Audit resources are limited and are most effective when focused on specific allegations or identifiable risks to public funds or program integrity.

The breadth of the proposed audit—covering governance decisions, litigation strategy, charter school policy, contracting practices, and internal personnel processes over a five-year period—raises concerns that the request is not narrowly tailored to a defined problem.

### **3. Litigation Alone Does Not Justify an Audit**

Public agencies routinely engage in litigation, particularly in policy areas such as education where statutory interpretation and constitutional issues are frequently contested. The existence of litigation does not in itself indicate misconduct or mismanagement. Auditing a public body solely because its policy decisions have been challenged in court could establish a precedent that discourages lawful policy debate and governance.

### **4. Limited State Auditor Resources**

The State Auditor’s office has a finite capacity to conduct complex performance audits. JLAC has historically prioritized audits where significant fiscal exposure or systemic administrative failures have been clearly identified. Directing the Auditor to undertake a sweeping review in the absence of documented misconduct risks diverting resources from higher-priority oversight needs across state government.

## 5. Precedent for Local Governance

County boards of education operate as locally governed entities with statutory responsibilities established in state law. Using the state audit process to broadly examine policy decisions of a local governing board—absent documented violations—may set a precedent that could subject other local boards and commissions to similar politically driven audit requests.

---

## Conclusion

The Orange County Board of Education plays an important statutory role in supporting school districts, providing educational services, and authorizing charter schools within Orange County.

While policy disagreements regarding education governance and charter school policy may continue, those disagreements do not in themselves justify directing the State Auditor to conduct a sweeping audit of a local governing body.

Given the absence of documented financial misconduct, statutory violations, or systemic governance failures, members of the Joint Legislative Audit Committee may wish to carefully evaluate whether this request meets the traditional threshold for allocating resources to the California State Auditor.

For these reasons, legislators may wish to consider whether directing the State Auditor to undertake this audit represents the most appropriate and effective use of California's oversight resources at this time.

---

Contact:

*Tom Sheehy*

Sheehy Strategy Group

1017 L St. #771

Sacramento, CA 95814

(916) 213-8998

<https://www.sheehystrategygroup.com/>



SHEEHY STRATEGY GROUP