



FISCAL CRISIS & MANAGEMENT
ASSISTANCE TEAM

June 26, 2026

Richard DuVarney, County Administrator
Plumas Unified School District
50 Church St.
Quincy, CA 95971

Dear Administrator DuVarney,

In July 2025, the Plumas Unified School District (district) and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for FCMAT to provide up to 25 days of remote technical assistance to the Business Services Department through September 30, 2025. The scope of support included but was not limited to general ledger assistance and year-end closing support. The agreement was subsequently extended through June 30, 2026 to allow FCMAT to continue providing business services support to the district.

The purpose of this letter is to summarize the technical assistance activities conducted from July 2025 through June 2026.

July 2025

FCMAT met with the district's fiscal advisor and district staff to discuss technical support needs related to year-end closing tasks for the interim chief business officer (CBO) and support staff. Subsequent Zoom meetings were scheduled to further develop the plan and identify tasks.

FCMAT began participating in biweekly meetings with the California Department of Education (CDE), the district's fiscal advisor, and district staff to discuss concerns and identify areas in which the district may require additional support during the initial stages of the insolvency process. Beginning in January 2026, these meetings transitioned to a monthly schedule and continued through June 2026.

The CDE sent an initial response to the district's estimated actuals and adopted budget, making it clear that a comprehensive review of the newly adopted budget was of paramount importance. One significant issue identified in the adopted budget was the removal of positions that had not yet been formally approved for elimination by the governing board or county administrator. In addition, interfund transfers and other significant budget variances between the multiyear projection (MYP) developed by FCMAT during its insolvency analysis and the district's proposed adopted budget needed to be addressed.

FCMAT worked with the district to review budget assumptions, address concerns identified by the CDE, and advise the district on revisions to its amended proposed budget. The district subsequently submitted an amended estimated actuals and adopted budget, which was approved by the county administrator on July 23, 2025, and approved by the CDE on September 15, 2025.

August 2025

FCMAT provided technical assistance in editing the district's emergency apportionment letter to the State Superintendent of Public Instruction (SPI), with concurrence from the Department of Finance (DOF), for submission to the State Controller's Office (SCO).

FCMAT met with district staff to review year-end closing tasks. During the 2023-24 audit, the district received a repeat finding related to the reconciliation and clearing of accounts payable (AP) and accounts receivable (AR). To assist the district, FCMAT provided workbooks detailing a five-year history of AP and AR balances by resource, identifying items requiring additional research as well as balances that could potentially be reconciled and cleared.

Although district staff conducted additional research and processed correcting journal entries, further reconciliation work remained necessary. As a result, the district received another audit finding related to AP and AR reconciliation during the 2024-25 audit.

FCMAT recommends that the district review AP and AR reports as part of its 2025-26 year-end closing process to ensure that all reconciliation journal entries are completed and that any outstanding prior-year reconciliation issues are resolved to correct this recurring audit finding.

September 2025

The district received a letter dated September 10, 2025 from the SCO regarding the significance of audit finding #2024-010 related to the administrative employee-to-teacher ratio identified in the district's 2023-24 audit. The SCO provided the district with 30 days to file a formal appeal. FCMAT worked with the district to draft and submit its appeal of the audit finding.

October 2025

As the district continued to experience staff turnover, the need for ongoing support and cross-training remained essential. One key vacancy filled during this period was in payroll due to a staff retirement. To support training efforts for the new staff member, FCMAT coordinated with neighboring districts and county offices of education that use the same financial system to help provide both remote and in-person support.

November 2025 - June 2026

FCMAT and the district agreed that weekly check-in meetings would be beneficial to discuss issues requiring technical assistance and to provide ongoing coaching and support as necessary. These meetings also created an opportunity for the newly hired CBO to meet with FCMAT and the interim CBO to build capacity in district operations, and receive cross-training, coaching and guidance to support a smooth transition. These weekly check-in meetings concluded in June 2026.

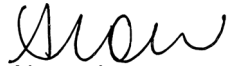
FCMAT helped the district during the first and second interim budget processes, including review of the district's narrative, assumptions and fiscal stabilization plan.

From January through June 2026, FCMAT also provided subject matter experts to offer guidance on operational and fiscal matters as they arose, and reviewed and provided feedback on draft letters, memoranda of understanding, and reports.

Regular meetings and ongoing technical assistance during the district's first year in the insolvency process helped identify emerging needs, provide timely technical assistance, and support continuity in district operations.

FCMAT appreciates the opportunity to serve the Plumas Unified School District and extends its thanks to district staff for their assistance throughout this engagement.

Sincerely,



Alyssa Low

Intervention Specialist

CC: Tami Pierson, Director, School Fiscal Services Division, California Department of Education
Blanche Katayama, Administrator, Fiscal Oversight and Support Office, School Fiscal Services Division, California Department of Education
Andrea White, Superintendent, Plumas County Office of Education
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