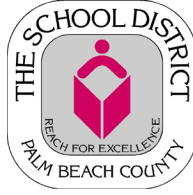


Special Review of
Pre-K Afterschool Program at Northboro Elementary School
April 21, 2023

Report #2023-03



MISSION STATEMENT

The mission of the School District of Palm Beach County is to educate, affirm, and inspire each student in an equity-embedded school system.

Michael J. Burke
Superintendent of Schools

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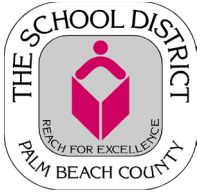
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Blair Littlejohn, Esq., Deputy General Counsel
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**Special Review of
Pre-K Afterschool Program at Northboro Elementary School
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PALM BEACH COUNTY, FLORIDA

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MEMORANDUM

TO: Honorable Chair and Members of the School Board
Michael J. Burke., Superintendent of Schools
Chair and Members of the Audit Committee

FROM: Teresa Michael, Inspector General

DATE: April 21, 2023

SUBJECT: Special Review of Pre-K Afterschool Program at Northboro Elementary School

PURPOSE AND AUTHORITY

Pursuant to the *Office of Inspector General's (OIG) 2022-2023 Work Plan*, and in response to a request from the school's Principal and a referral from the Office of Professional Standards (OPS), we have conducted a Special Review of the Pre-K Afterschool Program at Northboro Elementary School. The primary objectives of this special review were to determine (1) if fees charged and collected were properly accounted for, and (2) whether all the collections were properly processed and deposited into the school's bank account.

SCOPE AND METHODOLOGY

We conducted this special review in accordance with the Association of Inspectors General's *Principles and Standards for Offices of Inspector General, Quality Standards for Inspections, Evaluations, and Reviews*. The review covered the period July 1 through December 31, 2022. The OIG met with appropriate school staff, and reviewed:

- Florida Department of Education's *Financial and Program Cost Accounting and Reporting for Florida Schools, Chapter 8, School Internal Funds (FDOE Rules)*
- Applicable *School Board Policies* and District procedures related to money collections, including:
 - *Board Policy 6.07 – Internal Accounts*
 - *Internal Accounts Manual, Chapter 7 – Cash Receipts and Deposit*
- Internal Funds money collection records for the period July 1 through December 31, 2022.
- *Parent/Guardian Afterschool Program Handbook*
- *VPK Wraparound Fee Payment Schedule - FY23*

Draft findings were sent to the School Principal, the Department of Choice and Career Options, and the Chief Financial Officer for review and comment. The management responses are included in the Appendix. We appreciate the courtesy and cooperation extended to us by the school and District staff during the review. The final draft report was presented to the Audit Committee at its April 21, 2023, Meeting.

BACKGROUND

Northboro Elementary School (Northboro) operates a Pre-K Afterschool Program (ASP) for 30 pre-kindergarten students ages three and four that attend the school's Montessori Program. The Pre-K ASP is independent of the school's regular ASP for students in grades K through 5. The Pre-K ASP operates during the same hours and uses the same fee schedules as the regular ASP overseen by the District's Department of Extended Learning pursuant to *School Board Policy 8.131* – Afterschool Programs. The Pre-K ASPs are monitored and supported by the Department of Choice and Career Option.

On December 19, 2022, the Principal of Northboro contacted the OIG Investigations Unit. The Principal explained she became aware while reviewing school records that several families had unpaid tuition balances, although Pre-K ASP tuition fees must be paid in advance of services. The Principal later determined the administrative assistant responsible for maintaining payment records allowed some students to attend the program without paying the fees in advance.

The Principal gathered the program's records and reconciled the payments to the students' account records. She was unable to determine with certainty whether all monies were accounted for. When the Principal reported the administrative issues to OPS, OPS suggested she contact the OIG for an audit of the program's financial records.

REFERRAL TO THE OFFICE OF PROFESSIONAL STANDARDS

Because this special review concluded the Northboro administrative assistant allowed some students to attend the program without paying tuition in advance, the OIG referred its conclusions to OPS for action deemed appropriate.

CONCLUSIONS

1. No Money Missing

Based on the available *Classroom Receipts* and credit card collection records for the Pre-K ASP, the school collected a total of \$38,604.50 in program fees during July through December 2022. Our review of the SchoolCash (Internal Funds Accounting System) and bank records concluded that all the \$38,604.50 Pre-K ASP collections were recorded in the SchoolCash System and deposited into the school's bank account. Based on the available fee collection records, no missing money was identified during this special review.

2. Administrative Assistant Allowed Some Students to Attend the Program Without Advance Payment; 7% of Fees Owed by Parents Unpaid as of December 31, 2022

Students can attend the Northboro Pre-K ASP either part-time for two hours per day (2:00 p.m. to 4:00 p.m.) or full-time for four hours per day (2:00 p.m. to 6:00 p.m.). According to the *VPK Wraparound Fee Payment Schedule for FY23*, tuition fee payments were required to be paid in advance monthly, either in full or in two installments. District employees with children participating in the program received a 25% discount in tuition fees.

The Principal indicated that the school’s administrative assistant allowed some students to attend the program without paying the program fees. Our review of the available *Registration Forms* and *Parent Sign-Out Records* for the months of August through December 2022 revealed 31 students¹ participated in the Pre-K ASP program. Based on the students’ attendance records, either part-time or full-time, the total estimated Pre-K program fees was \$41,807, which included \$41,032 in tuition fees and \$775 in registration fees. However, only \$38,379.50 in tuition fees and \$775 in registration fees² were collected and recorded in the school’s Internal Funds accounting system and deposited into the school’s bank account.

Our analysis of the students’ registration, attendance, parent sign-out, and money collection records determined that as of December 31, 2022, eight families had a total outstanding balance of \$2,778.50 or 7% of total fees that should have been assessed for all participating students. Amounts owed ranged from \$138 to \$920. Additionally, 11 families had small credit balances totaling \$126. (See Table 1.)

**Table 1
Analysis of Pre-K ASP Fee Charges and Payments**

Per-K ASP Fee Charges and Payments	
Total Estimated Tuition Fees	\$41,032.00
Total Estimated Registration Fees	775.00 ²
Total Estimated Program Fees (tuition + registration)	\$41,807.00
Total Program Fees Collected	\$39,154.50
Potentially Unpaid Tuition Fees	\$2,652.50
Accounts With Balances as of December 31, 2022	
Eight (8) family accounts with unpaid balances	\$2,778.50
Eleven (11) family accounts with credit balances	(\$126.00)

Recommendation

The Northboro Pre-K Afterschool Program is a self-supporting program funded by user fees. To ensure fiscal accountability, all program fees should be collected in advance as required by the *Parent/Guardian Handbook* which states, “*Tuition must be paid in full for the entire month.*” Additionally, the school should periodically reconcile the fee collection records with student participation records to ensure that all fees are being accurately assessed and collected.

¹ One student paid the registration fee but did not attend the program.

² \$550 in registration fees were collected and deposited during Fiscal Year 2022.

Management's Responses:

Principal of Northboro Elementary: *I would like to thank you for completing the investigation per my request based on me discovering a discrepancy with funds not being collected. I have had an opportunity to read the draft report of the findings.*

1. *I do concur with the conclusions that no money was missing however my Administrative Assistant failed to collect after school fees from several families which resulted in our account being delinquent of \$2778.50 as of December 31, 2022. I also agree with the recommendation of OPS getting involved in addressing my Administrative Assistant's negligence.*
2. *Once I came into the knowledge that my Administrative Assistant failed to carry out the responsibility of collecting fees from several families, I immediately removed her from access and the responsibility of bookkeeping of the funds, collection, etc. I then began going through all the receipt books, checking the money collected forms, and the log of collection and I created a list and amount of what families owed. During the week of December 19, 2022. I personally contacted each family and shared their balance and discussed a plan for them to pay their balance. I gave them a final deadline of January 3, 2023 to resolve their balance. I was able to retrieve all the money from the past due accounts by January 3, 2023. In addition, I changed the payment requirement to School Cash Online only as of January 3rd and I set up a window in which parents have to make payments. I also monitor all payments of fees on a weekly and monthly basis to ensure all accounts are current.*
3. *All funds were recovered and all balances were current as of January 3, 2023.*

(See Page 5.)

Department of Choice and Choice Options: *In response to the special review of the Pre-K Afterschool Program (ASP) at Northboro Elementary, the Department of Choice and Career Options will continue to monitor the Pre-K ASP program at Northboro Elementary to ensure the program is operating within proper guidelines. The monitoring will include reviews of the budget and meetings with the principal to discuss program success and to verify that the program is running with fidelity and is in a positive financial standing.*

(See Page 6.)

Chief Financial Officer: *Based on the response from Principal Kinlaw that all funds have been collected, and the school procedures for the Pre-K program fall under Academics, I have nothing additional to add to the responses provided.*

(See Page 7.)

– End of Report –

Management's Response
Principal of Northboro Elementary School



NORTHBORO ELEMENTARY MONTESSORI MAGNET
400 40th Street – West Palm Beach, FL 33407
(561) 494-1600 Fax: (561) 494-1650

Chanda Kinlaw
Principal

Mary Beth Decker
Assistant Principal

Date: March 2, 2023

To: Randy Law, Inspector General's Office

Re: Special Review of PreK Afterschool Program At Northboro Elementary School

I would like to thank you for completing the investigation per my request based on me discovering a discrepancy with funds not being collected. I have had an opportunity to read the draft report of the findings.

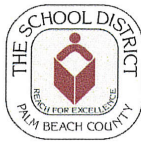
1. I do concur with the conclusions that no money was missing however my Administrative Assistant failed to collect after school fees from several families which resulted in our account being delinquent of \$2778.50 as of December 31, 2022. I also agree with the recommendation of OPS getting involved in addressing my Administrative Assistant's negligence.
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3. All funds were recovered and all balances were current as of January 3, 2023.

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MAR - 2 2023

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Management's Response
Department of Choice and Career Options



THE SCHOOL DISTRICT OF
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CHOICE & CAREER OPTIONS
3300 FOREST HILL BOULEVARD, C-124
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JERALINE JOHNSON, Ed.D.
DIRECTOR

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MAR 30 2023

TO: Randy Law, Director of Audit

FROM: Jeraline Johnson, Ed.D.

SUBJECT: Special Review of Pre-K Afterschool Program at Northboro Elementary

DATE: March 30, 2023

INSPECTOR GENERAL

In response to the special review of the Pre-K Afterschool Program (ASP) at Northboro Elementary, the Department of Choice and Career Options will continue to monitor the Pre-K ASP program at Northboro Elementary to ensure the program is operating within proper guidelines. The monitoring will include reviews of the budget and meetings with the principal to discuss program success and to verify that the program is running with fidelity and is in a positive financial standing.

The School District of Palm Beach County
A Top High-Performing A-Rated School District
An Equal Opportunity Education Provider and Employer

Management's Response
Chief Financial Officer



Randy Law <randy.law@palmbeachschools.org>

Re: Special Review of Pre-K Afterschool Program at Northboro Elementary School

1 message

Heather Frederick <heather.frederick@palmbeachschools.org>
To: Randy Law <randy.law@palmbeachschools.org>

Fri, Mar 31, 2023 at 5:21 PM

Randy,

Based on the response from Principal Kinlaw that all funds have been collected, and the school procedures for the Pre-K program fall under Academics, I have nothing additional to add to the responses provided.

Heather Frederick, CPA
Chief Financial Officer
The School District of Palm Beach County
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MAR 31 2023

INSPECTOR GENERAL

M