

THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA

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TERESA MICHAEL, CIG, CIGI, CFE
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MEMORANDUM

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

FROM: Teresa Michael, Inspector General 

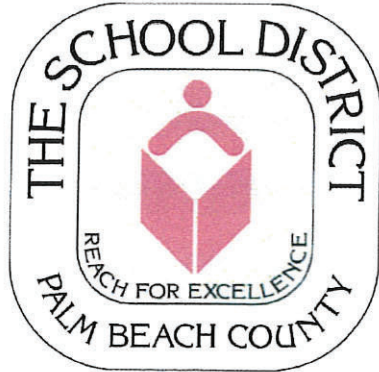
DATE: January 8, 2024

SUBJECT: Transmittal of Final Investigative Report:
24-0010-1 Acreage Pines Elementary

Attached please find a copy of the Palm Beach County School District Office of Inspector General (OIG) Final Report of OIG Case 24-0010-I. On November 6, 2023, the OIG received a referral complaint from the OIG Audit Unit regarding alleged misconduct on the part of [REDACTED]. Specifically, it was alleged that [REDACTED] submitted falsified documentation in response to one of two preliminary/initial findings APS received during the OIG's FY 23 Annual Internal Funds audit. During the investigation, the OIG developed an additional allegation against APS Treasurer Elizabeth Biaggi for falsifying and altering documents submitted to the OIG.

The OIG investigation concluded the allegations that [REDACTED] and Treasurer Biaggi submitted falsified documents were **Substantiated**. The allegation that Biaggi violated School Board Policy 2.61.3, Fraud, was **Unsubstantiated**.

In accordance with School Board Policy 1.092.9.b.iv., on December 20, 2023, the draft of this investigation was provided to [REDACTED] and Biaggi. Written responses were received from [REDACTED] and Biaggi by the OIG and included in the final report.



OIG CASE NUMBER 24-0010-I

Acreage Pines Elementary

TYPE OF REPORT: FINAL

DATE OF REPORT: January 8, 2024



Teresa Michael

**Teresa Michael, Inspector General
Office of Inspector General
School District of Palm Beach County**

THIS REPORT MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL OR EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. DO NOT RELEASE WITHOUT PRIOR COORDINATION WITH THE OFFICE OF INSPECTOR GENERAL.

Office of Inspector General

Report of Investigation 24-0010-I

EXECUTIVE SUMMARY

From November 7, 2023 to November 15, 2023, the Office of Inspector General (OIG) conducted interviews and reviewed pertinent documentation and records related to an allegation that [REDACTED] submitted falsified District forms and related mandatory contract documents in response to an OIG audit.

Specifically, it was alleged that [REDACTED] submitted falsified documentation in response to an initial audit finding APS received during its FY 23 Annual Internal Funds school audit. The initial finding concluded APS records did not contain a required School District Consultant Agreement (Contract), including mandatory contractual requirements such as the successful completion of the vendor background screening, hold harmless agreement, and certificate of insurance, for a May 2023 event at APS. In response to the initial findings, [REDACTED] provided the OIG with the missing Contract and documentation in an effort to have the finding removed. During the Audit Unit's review of [REDACTED] documents, auditors noted the newly provided Contract was executed on March 8, 2023. However, the Contract Form was revised by the District on October 30, 2023 (over seven months *after* the Contract was allegedly executed). This irreconcilable discrepancy led the Audit Unit to suspect [REDACTED] falsified the Contract.

During the investigation, the OIG developed an additional allegation against APS Treasurer Elizabeth Biaggi for falsifying and altering Contract documents submitted to the OIG. District email records indicate that after the APS initial audit findings were provided to [REDACTED] Biaggi emailed the May 2023 event vendor and requested they sign a backdated Contract. The vendor executed a Contract dated May 3, 2023. Additionally, Biaggi later, after the vendor signed the Contract, altered the date to March 8, 2023, because the Contract date did not match the other supporting documents.

The OIG investigation concluded that the allegation that [REDACTED] submitted falsified documents in violation of School Board Policy 3.02.5.c.vii was **Substantiated**. Additionally, the allegation that Treasurer Biaggi deliberately falsified and altered District documents in violation of School Board Policies 2.61.3.a. and 3.02.5.c.vii was **Substantiated** as to policy 3.02.5.c.vii and **Unsubstantiated** as to 2.61.3.a.

On December 20, 2023, the OIG forwarded a copy of the draft report to [REDACTED] and Elizabeth Biaggi for a response. On December 20, and December 29, 2023, [REDACTED] and Biaggi submitted their written responses to the draft report. The responses are attached in their entirety. (**Exhibit 7 & 8**)

RECOMMENDATION

The OIG recommends the findings of this report be referred to the Director of the Office of Professional Standards for review and action deemed appropriate, to include a referral to FDOE if deemed appropriate.

INVESTIGATIVE PREDICATE

On November 6, 2023, the Office of Inspector General (OIG) received a referral complaint from the OIG Audit Unit regarding alleged misconduct on the part of [REDACTED]. Specifically, it was alleged that [REDACTED] submitted falsified documentation in response to one of two¹ preliminary/initial findings APS received during the OIG's FY 23 Annual Internal Funds audit. The negative finding in question issued on October 17, 2023, concluded school financial records did not contain a required Contract and related pertinent documents for an event that occurred at APS in May 2023. As a result of the initial finding, on November 6, 2023, [REDACTED] submitted to the OIG auditors the Contract and pertinent documents that were not available the day of the audit. A review of the documents submitted by [REDACTED] determined there was a discrepancy with the execution date of the Contract, March 8, 2023 and the revision date of the Contract form, October 30, 2023.

During the investigation, the OIG developed an additional allegation against APS Treasurer Elizabeth Biaggi for falsifying and altering documents submitted to the OIG. District email records indicate that subsequent to the APS audit and the findings sent to [REDACTED], Biaggi emailed the vendor that provided the services for the May 2023 event and requested they sign a backdated (May 3, 2023) Contract. Subsequently, Biaggi altered the backdated document by changing the signature date from May 3, 2023 to March 8, 2023 in order to have matching dates throughout the documents.

On November 6, 2023, OIG Investigator Veronica Vallecillo was assigned this complaint for investigation.

The OIG investigation concluded that the allegations against [REDACTED] and Treasurer Elizabeth Biaggi were Substantiated. The investigative findings will be discussed in detail later in this report.

BACKGROUND

APS is a public school located at 14200 Orange Blvd., Loxahatchee, Florida. The student enrollment at APS is approximately 560, serving grades K-5.

Schools throughout the District and similar to APS often enter into contractual relationships with commercial vendors to provide equipment, goods, or services for campus events. When those contracts are executed, Florida law and District policy require the execution of various agreements and evidence of satisfied contractual conditions to ensure student safety and financial accountability.

¹ The FY 23 Annual Internal Funds Audit for APS included two findings. However, this report will only focus on the finding related to the Contract.

COMPLAINT REFERRAL INFORMATION

The OIG's Audit Unit referred a complaint regarding falsified information submitted by [REDACTED] in response to the APS FY 23 Annual Internal Funds audit conducted by the OIG. The annual audit onsite field work occurred on October 17, 2023. The initial audit resulted in two negative findings, one specifically related to a May 2023 event that required execution of a Contract and receipt of various documents from JupiterBounce.com LLC (Jupiter Bounce), which the school did not provide.

On November 6, 2023, [REDACTED] submitted the Contract and pertinent documents to the OIG auditor (**Exhibit 6**). A review of the documents submitted by [REDACTED] determined there was discrepancy with the execution date of the Contract, March 8, 2023 and the revision date of the Contract template (District form which has a revised date), October 30, 2023.

ALLEGATION 1

It is alleged that [REDACTED] violated School Board Policy 3.02, Code of Ethics by submitting falsified documents in response to an initial audit finding APS received during their annual internal funds audit conducted by the OIG.

School Board Policy 3.02.5.c.vii states, in relevant part,

Misrepresentation or Falsification – We are committed to candor in our work relationships, providing other Board employees including supervisors, senior staff and Board members with accurate, reliable and timely information. Employees should exemplify honesty and integrity in the performance of their official duties for the School District. Unethical conduct includes but is not limited to:

“Falsifying, misrepresenting or omitting information submitted in the course of an official inquiry/investigation” Quoting Board Policy 3.02.5.c.vii.

ALLEGATION 2

It is alleged that APS Treasurer Elizabeth Biaggi violated School Board Policies 2.61, Fraud and 3.02, Code of Ethics, when she fabricated and subsequently altered District contracts and related documents to avoid an audit finding APS received during its annual OIG internal funds audit.

School Board Policy 2.61.3. defines fraud as a *“willful or deliberate act or omission by which an individual intends to unlawfully deprive the District through an unauthorized benefit, service, property or something of value by deception, misrepresentation or other unethical or unlawful means.*

Fraudulent acts include, but are not limited to:

Forgery, falsification or alteration of District documents or records. Policy 2.61.3.a;

School Board Policy 3.02.5.c.vii states, in relevant part,

Misrepresentation or Falsification – We are committed to candor in our work relationships, providing other Board employees including supervisors, senior staff and Board members with accurate, reliable and timely information. Employees should exemplify honesty and integrity in the performance of their official duties for the School District. Unethical conduct includes but is not limited to:

“Falsifying, misrepresenting or omitting information submitted in the course of an official inquiry/investigation” Quoting Board Policy 3.02.5.c.vii.

SUBJECT INTERVIEWS

On November 15, 2023, a sworn recorded interview of APS Treasurer Elizabeth Biaggi was conducted at APS in Loxahatchee, FL. The following represents actual and paraphrased statements made by “Biaggi” as they relate to Allegations 1 and 2:

Biaggi has been employed as the Treasurer of Acreage Pines Elementary School since 2016.

Biaggi stated that the OIG Audit Unit conducted an internal funds audit at APS on October 17, 2023. The audit resulted in two findings; one was related to a vendor’s missing Contract. Biaggi explained that at the time of the audit “we didn’t have it [Contract] finished or we didn’t have all the components for it.” Biaggi noted that Auditor Andres Ortiz told her to submit the missing documents to the OIG if they were located.

Subsequently, Biaggi contacted the vendor, Jupiter Bounce to obtain its Certificate of Insurance and the required Beneficial Interest Affidavit. The OIG asked Biaggi if Jupiter Bounce also provided a copy of the signed contract. Biaggi stated that she (Biaggi) “created it” after the fact. **INVESTGATOR’S NOTE: The form utilized and submitted by Biaggi was not available on the District form portal until 10/30/23, which was 13 days after the auditor’s visit and seven months after the Contract date.**

26. MANDATORY CONTRACT DOCUMENTS

This Agreement includes the terms and conditions set forth in this document, and set forth in the following additional documents attached hereto and incorporated herein: (approval will not be granted without these mandatory attachments):

Beneficial Interest and Disclosure of Ownership Affidavit - See Page 8
Provide Consultant Evaluation - See Page 9

- \$5,000 or less per vendor/fiscal year/location requires consultant and principal/director signature only.
- \$5,001 to \$25,000 per vendor/fiscal year/location requires signature of consultant, principal/director, regional/assistant superintendent, legal services, chief academic/operating officer, deputy superintendent/ chief of schools and superintendent.
- All consultant contracts over \$25,000 per vendor/fiscal year/location must be approved by the Legal Department prior to Board approval. The Board Chairman will sign the contract after Board approval.

NOW, THEREFORE, the parties hereto have affixed their signatures on the day and year first above written.

<i>Kayla Childress</i> Signature of Consultant	3-8-23 Date	Kayla Childress Print Name of Consultant
Signature of Regional/Assistant Superintendent	Date	Print Name of Regional/Assistant Superintendent
Signature of Chief Officer	Date	Print Name of Chief Officer
Signature of Deputy Superintendent/Chief of Schools	Date	Print Name of Deputy Superintendent/Chief of Schools
Signature of Legal Services Designer	Date	Print Name of Legal Services Designer
Signature of Superintendent	Date	Print Name of Superintendent
Signature of School Board Chairman	Date	Print Name of School Board Chairman

Biaggi admitted that on November 2, 2023, she emailed Kayla Childress from Jupiter Bounce and requested for the Contract to be signed with a date of May 3, 2023. The OIG asked Biaggi why she provided Childress with a backdated Contract to sign. Biaggi asked, "Why can't you do that when you're missing an item?"

The OIG showed Biaggi the documents [REDACTED] submitted to the OIG in relation to the finding and the document that she emailed to the vendor on November 2, 2023. **(Exhibits 6 and 4)** Regarding the discrepancy with the signature dates of March 8, 2023 and May 3, 2023, Biaggi explained that when she asked Childress to sign the Contract with the date of May 3, 2023, she thought that was the correct date that should have been on the Contract.

Biaggi initially claimed that Childress sent her the Contract with the correct date (March 8, 2023). However, Biaggi was not able to provide the OIG with evidence to support this claim. Subsequently, Biaggi recanted and admitted that she either used "white out" or "covered the date [May 3, 2023] with a paper" in order to change the Contract date to March 8, 2023, from her original falsified, backdate of May 3, 2023. Biaggi stated that she changed the dates to "protect herself, the school, and everybody else."

Biaggi said [REDACTED] did not ask her to backdate any documentation or to reproduce documents in order to avoid a finding. Biaggi explained she had never done anything like that before and had no "ill intent", she just wanted to avoid the finding.

On November 15, 2023, a sworn recorded interview of [REDACTED] was conducted at APS in Loxahatchee, FL. The following represents actual and paraphrased statements made by [REDACTED] as they relate to Allegations 1 and 2:

[REDACTED] has been employed as the [REDACTED] since 2015.

[REDACTED] stated that the OIG Audit Unit conducted an internal audit at APS in October 2023. [REDACTED] stated there were two findings in relation to the audit. [REDACTED] noted Auditor Andres Ortiz told her that APS could provide the documentation that was missing at the time of the audit and "perhaps have those [findings] taken care of."

Subsequently, [REDACTED] discussed the findings with Biaggi and asked Biaggi to reach out to Jupiter Bounce to see if they had the missing documents on file. [REDACTED] noted APS works with the Jupiter Bounce often and they should have had the documentation on file.

[REDACTED] said that when Biaggi provided the Contract and pertinent documents related to Jupiter Bounce, she [REDACTED] "glanced at it" and submitted the documents to the OIG. [REDACTED] noted the certificate of insurance (COI) provided by the Jupiter Bounce may have been from a previous event. [REDACTED] said that although the COI may have been from a previous event, it should still cover the event since it has the same information (School District name).

The OIG asked [REDACTED] to review the documentation she submitted to the OIG. [REDACTED] confirmed her signature, but claimed she did not recall signing the document or if she signed it on March 8, 2023, as stated on the Contract. The OIG asked [REDACTED]

if Biaggi asked her to sign the document subsequent to the OIG audit. ██████ stated, "I honestly could not recall." ██████ insisted she "was not sure", but eventually, said that Biaggi definitely asked her to sign the document subsequent to the findings. ██████ noted she probably did not notice the date when she signed the Contract.

The OIG asked ██████ if she asked Biaggi to backdate any information. Initially, ██████ could not answer. ██████ noted that she may have said to Biaggi that if Jupiter Bounce had the documents on file, and we [the school] did not have a copy, Jupiter Bounce could provide it. Then, ██████ stated, "I did not, I would never ask anybody to intentionally be deceitful, I would just take an audit finding."

Regarding the signature page with two different signature dates, ██████ said she was not aware the date had been altered and would have never authorized Biaggi to do something like that. Had ██████ known what Biaggi did, she would have told her, "It's not worth it."

██████ stated that it was "our misunderstanding on what we could do to rectify this [finding]." ██████ reiterated that she would never intentionally try to do anything wrong.

RECORDS ANALYSIS

District email records reflected the following:

On October 25, 2023, ██████ received the draft report of the APS FY23 Annual Internal Audit. **(Exhibit 1)** On that same day, ██████ forwarded the email to Biaggi that stated, "So we got 2 findings... lets [sic] see if we can resolve them" **(Exhibit 2)**

On October 27, 2023, Kayla Childress from Jupiter Bounce emailed Biaggi a COI. **(Exhibit 3)** The email stated, "I saw a note from Stephanie that you are in need of our COI..." It should be noted the dates on the Certificate of Liability Insurance documents were September 6 and 7, 2023.

On November 2, 2023, Biaggi emailed Childress, "Last school year (May 19th), we contracted with Jupiter Bounce for our school carnival. I was negligent in sending over a couple of pages of the contract, however. Can you please complete the attached pages and return to me as soon as possible? *I have written the date on page 7 so that the wrong date isn't used." **(Exhibit 4)**. (Emphasis added)

Attached to the email were pages 7 and 8 of District Form 1420 "School District Consultant Agreement" and the signature page had a handwritten date of May 3, 2023.

On the same day, Childress returned the documents with signatures including Page 7 signed with a signature date of May 3, 2023. **(Exhibit 5)**

On November 6, 2023, [REDACTED] provided the OIG auditors with a completed Contract that reflected it was executed on March 8, 2023 along with other required documents and her signed management response on behalf of APS. [REDACTED] response dated November 2, 2023, stated, "Enclosed please find the documents that were not able to be located on the day of the audit. I believe these documents will clear our audit." (Exhibit 6)

CONCLUSIONS

[REDACTED] may have initially been under the impression that Jupiter Bounce possibly had their own copies on file of the Contract and other mandatory Contract documentation for the event that took place in May 2023. However, [REDACTED] admitted that she signed the Contract *after* the audit was conducted in October 2023. Although [REDACTED] testified she did not ask Biaggi to create documents in order to avoid a finding, Biaggi, on her volition, did just that.

Biaggi reached out to Jupiter Bounce subsequent to the findings to obtain a signature that reflected a backdate of May 8, 2023, on the signature page of the Contract. Biaggi specifically stated in her email to Jupiter Bounce, "I have written the date on page 7 so that the wrong date isn't used." Not only did Biaggi create a District document after the fact, she requested, and was successful, in getting Jupiter Bounce to sign a backdated Contract. She then further falsified the signed Contract when she altered the date upon her realization the original falsified date was incorrect. Biaggi deliberately altered the signature date from May 3, 2023, to March 8, 2023, in order for that date to match the Beneficial Interest and Disclosure of Ownership Affidavit completed by Jupiter Bounce.


Based on the testimony obtained and records reviewed, the OIG determined that the allegations that [REDACTED] and Treasurer Elizabeth Biaggi both violated School Board Policy 3.02.5.c.vii, Code of Ethics, by submitting falsified documents to the OIG in response to an audit finding APS received during its annual internal funds audit was **Substantiated**.

Although the OIG found evidence that reflected Treasurer Biaggi willfully falsified, and later altered District documents after a vendor signed them, there was insufficient evidence to establish that she did so with the requisite intent to "unlawfully deprive the District through an unauthorized benefit, service, property or something of value by deception, misrepresentation or other unethical or unlawful means." Accordingly, the allegation that APS Treasurer Elizabeth Biaggi violated School Board Policy 2.61.3.a., Fraud, was **Unsubstantiated**.

The evidentiary standard used by the School District of Palm Beach County OIG in determining whether the facts and claims asserted in the complaint were proven or disproven is based upon the preponderance of the evidence. Preponderance of the evidence is contrasted with “beyond a reasonable doubt,” which is the more severe test required to convict a criminal and “clear and convincing evidence,” a standard describing proof of a matter established to be substantially more likely than not to be true. OIG investigative findings classified as “substantiated” means there was sufficient evidence to justify a reasonable conclusion that the actions occurred and there was a violation of law, policy, rule, or contract to support the allegation. Investigative findings classified as “unfounded” means sufficient evidence to justify a reasonable conclusion that the actions did not occur and there was no violation of law, policy, rule, or contract to substantiate the allegation. Investigative findings classified as “unsubstantiated” means there was insufficient evidence to justify a reasonable conclusion that the actions did or did not occur and a violation of law, policy, rule, or contract to support the allegation could not be proven or disproven.

ATTESTATION

I, the undersigned, do hereby swear, under penalty of perjury, to the best of my personal knowledge, information, and belief, the contents of this report are true and accurate; and I have not knowingly or willfully deprived or allowed another to deprive, the subject of the investigation of any rights contained in Sections 112.532 and 112.533, Florida Statutes. This investigation was conducted pursuant to School District Policy 1.092, Inspector General, and in accordance with applicable Principles and Standards for Offices of Inspectors General as published by the Association of Inspectors General.

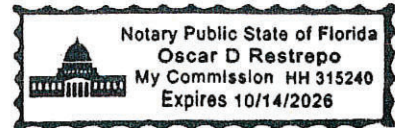


Veronica Vallecillo, Senior Investigator

**STATE OF FLORIDA
COUNTY OF PALM BEACH**

Sworn to (or affirmed) and subscribed before me this 08 day of January, 2024, by Veronica Vallecillo, Senior Investigator for the School District of Palm Beach County, Office of Inspector General, who is personally known by me.

Signature of Notary Public
 Notary Public or Law Enforcement Officer



This investigation was conducted by Veronica Vallecillo, supervised and approved by Director of Investigations Oscar Restrepo. The investigation was conducted in accordance with guidance from the Association of Inspectors General handbook and within standards as prescribed by Commission for Florida Law Enforcement Accreditation.

Approved by:  Date: 1/8/2024
Oscar Restrepo, Director of Investigations

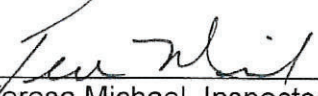
Approved by:  Date: 1/5/24
Teresa Michael, Inspector General

EXHIBIT LIST

- Email dated October 25, 2023 from Audit Director R. Law to [REDACTED] regarding Draft Report – FY 23 Annual Internal Funds Audit..... Exhibit 1
- Email dated October 25, 2023 from [REDACTED] to Biaggi..... Exhibit 2
- Email dated October 27, 2023 from Biaggi to K.Childress regarding Certificate of Insurance Exhibit 3
- Email dated November 2, 2023 from Biaggi to K. Childress regarding Contract..... Exhibit 4
- Email dated November 2, 2023 from Childress to Biaggi that signed Contract and pertinent documents..... Exhibit 5
- Response to Audit Findings provided by [REDACTED] on November 6, 2023..... Exhibit 6
- Biaggi response to draft report..... Exhibit 7
- [REDACTED] response to draft report..... Exhibit 8

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