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REPORT NO. 2018-20

August 24, 2018

The Honorable Chairman and Board Members
of the School District of Palm Beach County
3300 Forest Hill Blvd., Suite C-316
West Palm Beach, FL 33406

RE: Investigation of a Complaint Filed with the Palm Beach County School District (PBCSD) on May 1, 2017, Alleging Misconduct or Other Wrongdoing Involving the PBCSD Office of Inspector General (OIG) and/or Employees of the PBCSD's OIG (Respondents), Regarding the Gardens School of Technology Arts, Inc. (GSOTA), OIG Investigation Case Number 16-474

Pursuant to the Interlocal Agreement Provision of Inspector General Services between the School Board of Palm Beach County, Florida, and the Office of the Clerk of Circuit Court and Comptroller of Pinellas County, Florida, the Division of Inspector General (Division, we) received allegations of fraud, waste, and abuse. We investigated the following allegation related to the work product of Ms. Christina "Tina" Seymour (Ms. Seymour, complainant), former PBCSD OIG Audit Supervisor, during the drafting of the PBCSD OIG Final Investigative Report for Case Number 16-474, issued on July 17, 2017.

The complainant alleged the respondent(s):

- Omitted and misrepresented material facts from the Final Investigative Report for Case Number 16-474, by deleting sections of the complainant's work product, a financial audit of GSOTA.

Along with her written complaint, Ms. Seymour provided documentation to assist with the investigation:

- OIG Work Plan
- Case Status Check, dated January 18, 2017
- Agenda Prepared by C.M. Seymour, dated January 19, 2017
- Covenant Centre International, Inc. (CCI) Contribution Summary Statement 2012 to GSOTA
- OIG Emails, dated February 16, 2017
- C.M. Seymour's Draft Audit Report, dated February 16, 2017
- OIG Emails, dated February 21, 2017
- OIG Preliminary Report of Investigation, dated March 3, 2017
- Excerpt from OIG Investigation Report Showing Deletions/Omissions of OIG Audit Supervisor
- GSOTA Charter School Response, dated April 3, 2017
- American Institute of Certified Public Accountants Code of Professional Conduct

- Correspondence from the Law Offices of Kathleen W. Schoenberg, P.A. – GSOTA Charter School
(See Exhibit 1, page 34, yellow highlight)

To determine whether the allegation was substantiated, we reviewed policies, procedures, and any other records deemed appropriate. We also conducted interviews of staff and other parties, as needed. Our investigation was performed according to the *Principles and Standards for Offices of Inspector General* and *The Florida Inspectors General Standards Manual* from The Commission for Florida Law Enforcement Accreditation.

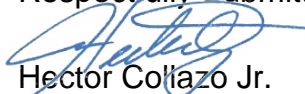
The Division uses the following terminology for the conclusion of fact/finding(s):

- Substantiated – An allegation is substantiated when there is sufficient evidence to justify a reasonable conclusion that the allegation is true.
- Unsubstantiated – An allegation is unsubstantiated when there is insufficient evidence to either prove or disprove the allegation.
- Unfounded – An allegation is unfounded when it is proved to be false or there is no credible evidence to support it.

The Division of Inspector General's investigation of the allegation has determined that the allegation noted above is **unfounded**. Our analysis of the complaint is below.

We appreciate the cooperation shown by the staff of The School District of Palm Beach County during the course of this investigation.

Respectfully Submitted,



Hector Collazo Jr.
Inspector General/Chief Audit Executive

cc:

Ken Burke, CPA
Pinellas County Clerk of the Circuit Court
and Comptroller
Ex Officio County Auditor

Randy Law, Director of Audit
School District of Palm Beach County
Office of Inspector General

Dr. Donald E. Fennoy II, Ed.D.,
Superintendent
School District of Palm Beach County

Angelette Green

Lung Chiu, Inspector General
School District of Palm Beach County
Office of Inspector General

Christina Seymour

Elizabeth McBride, Counsel for Inspector
General
School District of Palm Beach County
Office of Inspector General



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A. THE COMPLAINT

On May 2, 2017, via Electronic Mail from Carol Bass, Clerk of the School Board, PBCSD, the Division received a complaint related to the work product of Ms. Christina “Tina” Seymour (Ms. Seymour, complainant), former PBCSD OIG Audit Supervisor, during the drafting of the PBCSD OIG Final Investigative Report for Case Number 16-474.

Ms. Seymour addressed her complaint to Chuck Shaw, PBCSD Board Chairman, and Dr. Robert M. Avossa, former PBCSD Superintendent stating:

“I am addressing this letter to each of you, as this matter concerns the conduct of the District's Inspector General (IG), Mr. Lung Chiu, with regards to the Office of Inspector General's (OIG) recently concluded investigation of the charter school, ‘Gardens School of Technology Arts, Inc. – GSOTA.’” (See Exhibit 1, page 24, yellow highlight)

In her complaint, Ms. Seymour alleged the matter involves:

“...omissions and misrepresentations of material facts from the OIG's Preliminary Report of Investigation - OIG Case #16-474, which [her] financial audit uncovered and were documented in [her] original Draft Audit Report and exhibits that [she] provided to IG management on Thursday, February 16, 2017. By ‘sanitizing’ the OIG's Report of Investigation - Case #16-474, the School Board members and District management would not be provided with all of the substantive financial audit findings and conclusions which the District needs to rely upon when making a determination as to whether or not to renew the GSOTA Charter Agreement.” (See Exhibit 1, page 24, green highlight)

She continued:

“Needless to say, when [she] finally read the OIG Case #16-474 report on Monday, March 6, 2017, [she] was astounded that material portions of [her] audit work were deleted from the final draft report as well as misstated in the draft report for reasons [she] cannot understand. Not only do these actions undermine the credibility of the District OIG, but it directly undermines [her] professional credibility as a Certified Public Accountant (CPA) with over twenty (20) years of experience in [her] profession.”
(See Exhibit 1, page 25, pink highlight)

The allegation is the respondent(s) omitted and misrepresented material facts from the Final Investigative Report for Case Number 16-474, by deleting sections of the complainant's final work product (the financial audit of GSOTA). In her complaint, Ms. Seymour pointed out the deleted sections; they are listed and analyzed in Section C below.

B. BACKGROUND AND TIMELINE OF EVENTS

On August 9, 2016, the PBCSD OIG initiated an investigation (Case Number 16-474) of the GSOTA at the request of PBCSD Charter Department Director, James Pegg (Mr. Pegg), and PBCSD Assistant General Counsel, A. Denise Sagerholm (Ms. Sagerholm). The allegation was that GSOTA violated the terms of their current contract with the PBCSD.

According to the Final Investigative Report for Case Number 16-474, issued by the OIG on July 17, 2017:

“The OIG investigation included a review of the following areas:

- 1. Academic Accountability*
- 2. Financial Accountability*
- 3. Governance Accountability*

As part of this investigation, the OIG also examined the following:

- 4. Lease(s) Analysis Comparison*
- 5. Did GSOTA violate the terms of the current contract with the District when it entered into a fifteen (15) year rental lease agreement with its current landlord?*
- 6. Relationships between the Church (Covenant Centre International Inc.) and Gardens School of Technology Inc. (Hiring of Relatives)*
- 7. Business Relationships between GSOTA and Professional Service Providers*
- 8. School expansion.*
- 9. Fees GSOTA are charging students.”*

Former PBCSD OIG Director of Investigations, Angelette Green (Ms. Green), and former PBCSD OIG Auditor Supervisor, Ms. Seymour, conducted the investigation. Ms. Seymour reported to Ms. Green during the GSOTA investigation.

Ms. Green asked Ms. Seymour to perform a review of the below specific areas related to financial accountability:

- “Did GSOTA experience any financial emergencies as stipulated in Florida Statute 218.503?*
- Reporting of Student Full Time Equivalent (FTE) Count and Revenue Verification*
- Capital Outlay Funds*
- Expenses related to the Lease Agreement*
- Financial review of related party transactions for contracted Professional Services Providers”*

According to Ms. Seymour's complaint, on January 19, 2017, she presented her findings to:

- Lung Chiu, Inspector General, PBCSD OIG (Mr. Chiu)
- Angelette Green, former Director of Investigations, PBCSD OIG (Ms. Green)
- Elizabeth McBride, Counsel for Inspector General, PBCSD OIG (Ms. McBride)
- Randy Law, Director of Audits, PBCSD OIG (Mr. Law)

On February 16, 2017, Ms. Seymour presented her final draft to Mr. Chiu and Ms. Green. Upon completion of the investigative fieldwork, the OIG prepared a preliminary draft report and submitted it to GSOTA management for their responses on March 4, 2017, via electronic mail. On March 6, 2017, Ms. Seymour read the preliminary draft and noted some of her findings were removed from the report.

In her complaint, Ms. Seymour suggested the removal of her findings precluded the PBCSD from having all the substantive conclusions to make a determination on whether or not to renew the GSOTA Charter Agreement. However, Ms. Seymour filed her complaint on May 1, 2017, and GSOTA and the PBCSD renewed their contract on April 5, 2017. Both events occurred prior to the issuance of the Final Investigative Report for Case Number 16-474 on July 17, 2017. For the purpose of our investigation, we determined the respondents are:

- Mr. Chiu,
- Ms. Green, and
- Ms. McBride.

This diagram depicts the key individuals referenced in the timeline on the next page.

Complainant in this investigation

Christina Seymour
former Audit Supervisor,
PBCSD OIG

Respondents in this investigation

Lung Chiu
Inspector General,
PBCSD OIG

Angelette Green
former Director of Investigations
PBCSD OIG

Elizabeth McBride
Counsel for Inspector General,
PBCSD OIG

Complainants in the PBCSD OIG Case #16-474

Dr. Robert Avossa
former Superintendent,
PBCSD

James Pegg
Director, Charter School
Department,
PBCSD

Denise Sagerholm
Assistant General Counsel,
Compliance,
PBCSD Legal Services

Respondents in the PBCSD OIG Case #16-474

Debra K. Moore
Board Chair,
GSOTA

Kevin Kovacs
Principal,
GSOTA

Jeanne Benz
Director of Operations,
GSOTA

Gary W. O'Donnell, Esq.
Greenspoon Marder P.A.,
GSOTA Legal Counsel

TIMELINE OF EVENTS PERTINENT TO OUR INVESTIGATION

2016	August	3-Aug	Mr. Pegg requested to meet with Mr. Chiu regarding concerns about the review of the lease for a charter school, which was in negotiations for renewal.
		9-Aug	The OIG attended a meeting with Mr. Pegg and Ms. Sagerholm regarding GSOTA and their concerns; they requested the OIG conduct an investigation.
	October	25-Oct	Ms. Seymour is assigned to Case #16-474.
	November	1-Nov	Ms. Green provided Ms. Seymour with a written scope for her, "Audit Review of GSOTA" and advised Ms. Seymour she would like to have the investigation completed by November 30, 2016, due to a set time line.
		7-Nov	Ms. Green expressed concern to Randy Law, OIG Director of Audits, about Ms. Seymour being able to, "assist thoroughly" with the investigation, given her family circumstances.
December	13-Dec	Ms. Sagerholm inquired of Mr. Chiu the expected completion date of the investigation.	
		Ms. Green advised Mr. Chiu that Ms. Seymour has a few more parts to complete, but once complete, Ms. Green would, "have enough to begin the draft report."	
		Ms. Green asked Ms. Seymour to meet, "in order to conduct a status check of [her] work."	
2017	January	19-Jan	Ms. Seymour presented her findings to Mr. Chiu, Ms. Green, and Ms. McBride. During that meeting, she requested the OIG, "follow the money" and requested, "for CCI church to provide its records of contributions that CCI church received from GSOTA charter school." To that recommendation, Ms. McBride opposed.
	February	10-Feb	Mr. Chiu received an email from JulieAnn Rico, PBCSD General Counsel, inquiring on the status of the investigation because, "the Charter School has lodged a complaint in the Department of Administrative Hearings."
13-Feb		Ms. Green informed Mr. Chiu that Ms. Seymour would try to be done by February 16, 2017, with her financial review.	
16-Feb		Ms. Sagerholm emailed Mr. Chiu about the PBCSD Board having to enter into a second amendment, extending the current contract until June 30, 2017, since the OIG investigation has not been concluded.	
		Ms. Seymour presented her final draft to management.	
21-Feb	We found drafts dated February 20 and February 21, 2017, showing edits to Ms. Seymour's sections. We estimate the deletion occurred between February 20 and March 3, 2017.		
March	1-Mar	Ms. Benz emailed Ms. Green inquiring about the status of the OIG report.	
		Ms. Green replied to Ms. Benz to reiterate the OIG preliminary report is, "expected to be completed no later than Friday, March 3, 2017."	
	2-Mar	Ms. Seymour requested from Ms. Green a copy of the OIG preliminary report when it is completed for GSOTA's responses.	
	4-Mar	Ms. Green sent an email to Ms. Moore, Ms. Benz, Mr. Kovacs, and Mr. O'Donnell with a copy of the Preliminary Investigative Draft Report #16-474, and copied Ms. McBride. Ms. Green stated she would also hand deliver a hard copy to them on Monday, March 6, 2017. The letter stipulated management had twenty days to provide their responses to the OIG. The report was due on March 3, 2018; however, it was emailed at 1:11 a.m. on March 4, 2018.	
	6-Mar	A department representative acknowledged receipt of the Preliminary Investigative Draft Report 16-474 (we were unable to decipher the signature).	
		Ms. Seymour located the OIG Case #16-474 draft report on the OIG's shared network drive and was, "astounded that material portions of [her] audit work were both deleted and misstated in an effort to water-down the potential implications of the audit findings and conclusions for the GSOTA charter school investigation."	
30-Mar	Mr. Pegg wrote to Ms. Moore and Mr. Kovacs to provide them with the, "Program Renewal being used for renewal consideration of Gardens School of Technology Arts," and to advise them, "The School Board will take action in regards to the Renewal Charter at the		

TIMELINE OF EVENTS PERTINENT TO OUR INVESTIGATION

		<i>April 5, 2017, Special Board Meeting... The Superintendent's recommendation to the Board is to approve your new ten (10) year renewal charter."</i>
April	3-Apr	The OIG received GSOTA responses to the Preliminary Investigative Draft Report #16-474.
	5-Apr	The PBCSD Board renewed its contract with GSOTA for a duration of ten years.
	17-Apr	Claudia Robins, CAP-OM Executive Administrative Assistant to Lung Chiu, sent an email stating, <i>"As indicated by Dr. La Cava, Chief of Human Resources, effective immediately Ms. Seymour is now reporting to the Office of Professional Standards."</i>
May	1-May	Ms. Seymour filed a whistleblower complaint with the PBCSD and addressed her complaint to Chuck Shaw, Chairman of the PBCSD Board, and Dr. Robert Avossa.
	5-May	The Division (we) received Ms. Seymour's complaint.
	8-May	We initiated the investigation of Ms. Seymour's complaint.
July	17-Jul	Final Investigative Report, Case #16-474, Gardens School of Technology Arts, is issued and posted to the OIG website.

C. ANALYSIS AND CONCLUSIONS

The complainant alleged the respondent omitted and misrepresented material facts from the Final Investigative Report for Case Number 16-474, by deleting sections of the complainant's work product she submitted on February 16, 2017, a financial audit of GSOTA. The respondent allegedly:

1. Deleted related party columns from Table 6.
2. Deleted reference to violation of Florida Statute (F.S.) 112.313(3) (doing business with one's agency) regarding business and familial relationships between GSOTA and vendors.
3. Deleted finding related to use of public funds for religious purposes - references the CCI document thanking GSOTA for their tithe, and the reference to the violation of the Constitution of the State of Florida regarding prohibition of the use of public funds for religious purposes.
4. Deleted auditor conclusion related to GSOTA paying the entire amount (\$11,539) of architect and engineer consultant services for building improvements instead of the cost being prorated.

The “deleted material facts” Ms. Seymour pointed out in her complaint are analyzed below.

1. Deleted related party columns from Table 6.

Ms. Seymour’s complaint reads:

“1. ‘OIG Analysis of Lease Payments to CCI from GSOTA Charter School.’ Whomever edited the final report issued to GSOTA charter school, deleted two (2) columns in Table 6 that documented the related party names and the person’s relationship to GSOTA charter school...” (See Exhibit 1, page 30, blue highlight)

Table 6

FY	PAYEE	TOTAL LEASE PAYMENTS	RELATED PARTY NAME	RELATIONSHIP TO GSOTA
2011-2012	CCI Church	\$ 110,000.04	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2012-2013	CCI Church	\$ 129,999.96	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2013-2014	CCI Church	\$ 150,906.29	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2014-2015	CCI Church	\$ 129,999.96	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2015-2016	CCI Church	\$ 119,166.63	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2016-2017	CCI Church	\$ 61,720.00 ⁴	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
	TOTAL	\$701,792.88		

In the deleted columns of Table 6 in her draft dated February 16, 2017, Ms. Seymour highlighted the relationship between Norman Benz, K. Benz, and J. Benz. Upon reviewing the issued Final Investigative Report for Case Number 16-474, we noted the section titled, "5. RELATIONSHIPS BETWEEN THE CHURCH (COVENANT CENTRE INTERNATIONAL INC.) AND GARDENS SCHOOL OF TECHNOLOGY INC.," on page 33 of 52, addresses the "familial" relationship between the parties, including the fact that Norman Benz is Kristopher Benz's father and Jeanne Benz's father-in-law.

(See Exhibit 2, page 214, pink highlight)

Conclusion: Unfounded. The allegation that deletion of the related party columns from Table 6 omitted and misrepresented material facts is proven to be false. While Ms. Seymour added the columns, "Related Party Name" and "Relationship to GSOTA" to support her conclusion, they became irrelevant to the section once the reference to F.S. 112.313(3) was removed. See discussion of the Florida Statute reference removal in the following section below. The relationship between Norman Benz and Kristopher Benz is well established in section five of the final report referenced above.

2. Deleted reference to violation of Florida Statute 112.313(3).

Ms. Seymour's complaint reads:

"... 'Violation of Florida Statute 112.313(3) Doing Business with One's Agency' audit conclusion was completely deleted." (See Exhibit 1, page 31 blue highlight)

She referenced the aforementioned statute in two findings in her draft dated February 16, 2017:

- Finding 4. "Charter School Facilities are Leased from a Related Party."
- Finding 7. "GSOTA Charter School Conducted Business with Related Parties."

(See Exhibit 3, pages 681 & 690, blue highlights)

F. S. 112.313(3) reads:

"(3) DOING BUSINESS WITH ONE'S AGENCY—No employee of an agency acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer's or employee's spouse or child is an officer, partner, director, or proprietor or in which such officer or employee or the officer's or employee's spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer's or employee's own agency, if he or she is a state officer or employee, or to any political subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision. The foregoing shall not apply to district offices maintained by legislators when such offices are located in the legislator's place of business or when such offices are on property wholly or partially owned by the legislator."

In her Finding, “4. Charter School Facilities are Leased from a Related Party,” Ms. Seymour suggests:

- Kristopher Benz was one of the incorporators of GSOTA at inception and is the husband of Jeanne Benz, the Director of Operations at GSOTA.
- Kristopher Benz was listed as the Secretary for CCI and is the son of Norman Benz, Pastor of CCI.
- Kristopher Benz is doing business with his own agency.

Upon reviewing the deletion of the statute in Finding 4, we determined that while there is an evident “familial” relationship between CCI’s owners (Norman and Judy Benz), GSOTA Director of School Operations (Jeanne Benz), and her husband (Kristopher Benz), the report sections did not conclusively show evidence that Kristopher Benz or Jeanne Benz have a material interest in using CCI as GSOTA’s landlord. The appearance on the surface is not sufficient to prove or disprove material interest.

In Ms. Seymour’s Finding, “7. GSOTA Charter School Conducted Business with Related Parties,” only F.S. 112.313(3) was deleted. The business and familial relationship between GSOTA and vendors is addressed under the finding titled, “6. BUSINESS RELATIONSHIPS BETWEEN GSOTA AND PROFESSIONAL SERVICE PROVIDERS (PSP)” on page 36 of 52 of the issued Final Investigative Report for Case Number 16-474. (See Exhibit 2, page 217, blue highlight)

We interviewed Ms. Elizabeth “Liz” McBride, Counsel for Inspector General (Ms. McBride). Concerning the interpretation/application of F.S. 112.313(3) in the above findings, Ms. McBride stated it was legally inappropriate since the statute relates to the Board of the charter school. The public officer provision does not apply to the GSOTA staff; hence, Ms. Seymour’s argument was not relevant to Case Number 16-474. Ms. McBride further stated, the argument pertaining to the violation of the State of Florida Constitution was not proven either.

As legal counsel for the OIG, one of Ms. McBride’s responsibilities is to interpret the law and advise the OIG staff on how to apply it. Following is a list of some of Ms. McBride’s responsibilities:

- “3. Responsible for providing expert and independent legal counsel to the OIG and Staff on a variety of matters including: intra and inter-governmental relations, coordination with appropriate authorities on applicable matters, and general legal advice supporting legally sufficient operations within the OIG...
- 5. Provides counsel and advice to the OIG on legal issues and transactions; recommends changes in related policies and procedures to ensure compliance with applicable federal, state and local laws and regulatory standards and requirements.
- 6. Assists OIG staff in evaluating various intake, complaint, and legal data for legal implications, applicability of Inspector General’s

- jurisdiction, and identification of legally prudent investigative steps as necessary; assesses potential civil, administrative or criminal legal implications, to include strengths and weaknesses; provides the Inspector General with opinions and advisement accordingly.*
- *7. Reviews proposed Board Policies and District procedures to provide the Inspector General with independent legal analysis/interpretation, advisement and assessment of potential impact(s).*
 - *8. Through appropriate collaboration, develops and ensures effective implementation of related Board Policies, procedures and regulatory compliance initiatives and requirements, including but not limited to Sunshine and Public Records laws, Whistleblower Act, and Ethics rules.*
 - *9. Provides training and advisement to OIG staff on applicable laws, Board Policies and rules governing the work; provides continued training as needed on changes and updates to statutes, regulations, policies and other guidelines and requirements affecting the Office...*
 - *11. Reviews all reports, audits, investigations and other work products issued by the Office for legal sufficiency and compliance; assists OIG with or drafts legal memoranda, complaints, writs, motions, affidavits, reports, correspondence and other documentation."*

The Principles and Standards for Offices of Inspector General, as published by the Association of Inspectors General (AIG), provides guidance on the quality of evidence in an investigation. It states:

"Qualitative Standards for OIG Investigative organizations.

D. Evidence

The fourth qualitative standard for OIG investigative organizations is: Sufficient, competent, and relevant evidence is to be obtained to afford a reasonable basis for the investigative findings and conclusions."

Conclusion: Unfounded. The allegation that deletion of reference to violation of F. S. 112.313(3) omitted and misrepresented material facts is proven to be false. There is insufficient evidence to support a finding of violation of the Florida Statute according to AIG standards, and per legal opinion, the complainant's interpretation of the statute was inappropriate.

3. Deleted finding related to use of public funds for religious purposes - references the CCI document thanking GSOTA for their tithe, and the reference to the violation of the Constitution of the State of Florida regarding prohibition of the use of public funds for religious purposes.

Ms. Seymour's complaint reads:

"...‘Use of Public Funds for Religious Purposes’ audit finding and conclusion was completely deleted...." (See Exhibit 1, page 31, yellow highlight)

In her Finding, “5. *Use of Public Funds for Religious Purposes*,” of her draft dated February 16, 2017, Ms. Seymour suggests that since GSOTA receives public funding and makes lease payments to CCI, Inc., a religious entity, public funds are being used for religious purposes. (See Exhibit 3, page 684, lavender highlight)

The charter school statute, F.S. 1002.33(18)(c), reads:

*“(c) Any facility, or portion thereof, used to house a charter school whose charter has been approved by the sponsor and the governing board, pursuant to subsection (7), shall be exempt from ad valorem taxes pursuant to s.196.1983. Library, community service, museum, performing arts, theatre, cinema, **church**, Florida College System institution, college, and university facilities may provide space to charter schools within their facilities under their preexisting zoning and land use designations without obtaining a special exception, rezoning, or a land use change.”*

Based on the Florida Statute, we determined it is permissible for CCI, Inc. to house GSOTA as long as it is approved by the PBCSD. We also determined the PBCSD Board approved the usage of the church as the school's location since the parties (GSOTA and the PBCSD) were in the process of negotiating the renewal of their charter at the time of the GSOTA investigation. In addition, the school has been at that same location (9153 Roan Lane, Palm Beach Gardens, Florida 33403) since its inception in 2009.

During this investigation, we were unable to interview Ms. Green, former OIG Director of Investigations; Ms. Seymour reported to Ms. Green during the GSOTA investigation. Nonetheless, on April 13, 2017, during the course of another investigation that stemmed from a previous complaint by Ms. Seymour, we interviewed Ms. Green and she made reference to the GSOTA investigation. Ms. Green explained she removed a section from the draft Ms. Seymour submitted because it, “*pertained to the church and the church people as the investigation was on the school and not the church.*” She further stated, “*there was another section pertaining to [the] constitution about church and state. It was outside the scope... and did not relate to the school.*”

During the interview, Ms. Green also stated she, “*advised Ms. Seymour that the OIG does not have jurisdiction over the church and the church books. The investigation was not on the church...*” She advised Ms. Seymour, “*if she felt strongly that the church was violating statutes or IRS codes, then once [the] investigation was done, she could write it up and report it to the IRS.*”

During our interview with Ms. McBride, she supported Ms. Green's position that Ms. Seymour's argument was not relevant. Ms. McBride further added there was insufficient evidence to support a finding; the charter school statute clearly indicates a charter school is allowed to lease property from a church. She continued, the violation Ms. Seymour alleged would only be one if the charter school were teaching religious curriculum or doctrine. She stated, “*There were no facts in her report indicating that was happening.*”

In her complaint, Ms. Seymour stated:

“As a not-for-profit entity, CCI church is, in general, exempt from federal income tax, unless it has what the Internal Revenue Service (IRS) refers to as ‘unrelated business’ which is subject to ‘unrelated business income tax - UBIT.’ A church owes income taxes if it has income that is from a regularly conducted trade or business and is not substantially related to its exempt purpose. The IRS requires for real estate that is subject to a ‘purchase money mortgage’ (i.e. debt financed property) and is leased to a third party to pay income tax on the rental income received from the lessee...” (See Exhibit 1, page 25, yellow highlight)

The above statement is in reference to a note from Norman Benz, CCI, Inc. Lead Pastor, to GSOTA stating:

“Below is the record of your giving for 2012. I am so thankful for your tithe and offering... This yearly statement reflects our record of your giving for 2012, broken down by category on page one and a listing of all gifts on the following page. Your contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings.” (See Exhibit 1, page 25, green highlight)

Ms. Seymour found the contribution Norman Benz is referring to in his note is the lease payments the GSOTA made to CCI, Inc. during the year 2012. Ms. Seymour stated:

“As part of my financial review, I traced each monthly ‘contribution’ dollar amount CCI church listed on the ‘2012 Contribution Summary for S.O.T.A.’ to GSOTA’s accounting documentation and verified that the \$135,555 total reported by CCI church as ‘tithes’ were in actuality for the charter school’s monthly lease and utility payments to CCI for the 2012 calendar year. Depending on whether CCI church owned its property ‘debt-free’ that CCI leased to GSOTA charter school, the CCI church is earning ‘unrelated business income’ from the charter school that is clearly not a charitable tithe, and therefore may be subject to federal income tax.” (See Exhibit 1, page 25, turquoise highlight)

While it is possible the lease payments could be taxable, the facts remain:

- The OIG does not have jurisdiction over CCI, Inc.
- The OIG does not have access to CCI, Inc. financial records.
- CCI, Inc. has the responsibility for reporting, should the lease payments be taxable, not GSOTA, which is the entity under the OIG’s purview.

In her complaint, Ms. Seymour stated:

“Due to the fact that IG management was not in agreement with my recommendation that we make inquiries of the Landlord’s finances with

regards to its facilities, I will emphasis [sic] that during my financial review I was unable to verify if CCI church owned its church property 'free-of-debt' or if CCI had a purchase money mortgage for its facilities that CCI leases to GSOT A charter school." (See Exhibit 1, page 25, lavender highlight)

Furthermore, as a follow-up to our interview with Ms. Seymour, we inquired further about whether or not she was forbidden by management to report the "possible tax evasion" on her own; the following was part of her response to our inquiry:

"This underscores the fact that for me to have reported a possible tax evasion allegation to the Internal Revenue Service in February 2017 would have been premature, as I did not have proof the Landlord (i.e. the Church – Covenant Church International – CCI) had a purchase money mortgage on its building it was leasing to the charter school. That triggers 'UBIT – unrelated business income tax' for CCI church on the rental income it receives from the charter school, Gardens School of Technology Arts – GSOTA." (See Exhibit 4, page 705, blue & green highlights)

During our interview with Mr. Chiu, he concurred with both Ms. Green and Ms. McBride's position on the removal of the finding. He also stated, when the investigation was concluded, the OIG did not report the matter to the Internal Revenue Service (IRS) because there was not sufficient evidence to warrant a referral. The OIG manual states it:

"...will not investigate Reports unrelated to the School District. Whenever possible, such Reports will be referred to the appropriate agency."

Conclusion: Unfounded. The allegation that deletion of the finding related to use of public funds for religious purposes omitted and misrepresented material facts is proven to be false. It is permissible for CCI, Inc. to house GSOTA based on a review of the Florida Statute and the approval of the GSOTA's location by the PBCSD. There was not sufficient evidence to support a finding according to AIG standards. The records needed to support a potential finding are outside of the OIG's jurisdiction and outside of the scope of the investigation.

4. Deleted auditor conclusion related to GSOTA paying the entire amount (\$11,539) of architect and engineer consultant services for building improvements instead of the cost being prorated.

In her Finding, "6c. Total costs of \$11,539 for Architect & Engineer Consultant Agreements passed through to GSOTA by CCI Church," Ms. Seymour suggests since CCI, Inc. ultimately owns the property, CCI, Inc. should also fund the building improvements. The costs to each entity should be determined based on the square footage they utilize. (See Exhibit 3, page 688, lavender highlight)

For the purpose of our investigation, we did not visit GSOTA; we relied on Ms. Seymour's statements and the professional judgements of the OIG management,

specifically, Ms. Green and Ms. McBride. The goal of our investigation was not to re-perform the investigation the OIG conducted.

In her analysis, Ms. Seymour determined GSOTA's footprint only represents 56% (20,260 square feet) of the total square footage of the facility. The other areas she listed are:

- *“the place of worship 6,986 SF which translates to 20% of the property total square footage*
- *the daycare 1,302 SF which translates to 4% of the property total square footage*
- *the accessory 7,052 SF which translates to 20% of the property total square footage.” (See Exhibit 3, page 689, all)*

Ms. Seymour's analysis suggests CCI, Inc. utilizes the remaining 44% of the property; however, it does not address the following important aspects: how often does CCI, Inc. use the remaining 44%, and does GSOTA ever use the remaining 44% of the property?

A school is usually in session every weekday for most of the day and most of the year, while a church is only in session for part of the day, since it must accommodate the schedule of the majority of its congregants. We reviewed CCI, Inc.'s calendar for the month of June 2018. The advertised activities/events were held after 6 p.m. during the weekdays and during the day on the weekends. (See Exhibit 5, page 708)

During our interview with Ms. McBride, she explained the capital outlay utilized by the charter school for the expansion went through multiple levels of approval for the use of the funds, including the State and the school district. She also stated the arguments pertaining to the school upgrades had no legal basis, and she relayed to Ms. Green and Ms. Seymour to remove them due to legal applicability prior to submitting the final report; Ms. Seymour did not agree. Per Ms. McBride, upon a site visit to the charter school, she observed every inch of the school and church was being utilized by the students, including the sanctuary (the place of worship).

Conclusion: Unfounded. The allegation that deletion of the auditor conclusion related to GSOTA paying the entire amount of architect and engineer consultant services for building improvements omitted and misrepresented material facts is proven to be false. While valid to a point, Ms. Seymour's analysis lacks material evidence to support a finding. Based on usage frequency, the school would have received a greater use out of the property than the church by the end of the lease. Furthermore, as Ms. McBride mentioned during her interview, a project of this size must go through a number of levels of reviews and approval to ensure appropriateness of the funding.

D. EXCERPTS FROM MS. SEYMOUR'S DRAFT DATED FEBRUARY 16, 2017

Note: The sections highlighted or circled are those Ms. Seymour referenced in her complaint as having been deleted from the Final Investigative Report for Case Number 16-474.

"4. Charter School Facilities are Leased from a Related Party

...

Business Relationships between CCI (Landlord) and GSOTA (Tenant)

A. Covenant Centre, Inc. - CCI (Landlord)

The OIG reviewed CCI's online corporate filings with the Florida Secretary of State's Division of Corporations and noted the following: {See Exhibit_____}

1. The President of CCI is Norman D. Benz.
2. The Secretary of CCI is Kristopher (Erik) Benz.

B. Gardens School of Technology Arts, Inc. - GSOTA (Tenant)

A review of GSOTA's online corporate filings with the Florida Secretary of State's Division of Corporations revealed the following: {See Exhibit_____}

1. GSOTA was incorporated on August 3, 2009 by Kristopher (Erik) Benz.
2. Kristopher (Erik) Benz's home address is listed on the Articles of Incorporation for GSOTA. A review of the Palm Beach County Property Appraiser records shows that Kristopher (Erik) Benz and Jeanne K. Benz, as husband and wife, own the home with the same property address on the GSOTA Articles of Incorporation.
3. A review of GSOTA's 2017 Florida Not for Profit Corporation Annual Report shows that Mrs. Jeanne K. Benz signed the annual report as the charter school's Director of Operations on January 9, 2017.

Familial Relationships between CCI (Landlord) and GSOTA (Tenant)

Based on inquiry and review of relevant information, the following familial relationships exist between Covenant Centre International Inc. (the Church) and the GSOTA charter school:

- CCI Church is pastored by Norman Benz and Judy Benz, husband and wife.
- Norman and Judy Benz are the father and mother Kristopher "Erik" Benz.
- Kristopher "Erik" Benz is married to Director of School Operations, Jeannie Benz.
- Kristopher Erik Benz is a member of the Governing Board of Covenant Centre International Inc. Church.

OIG Analysis of Lease Payments to CCI from GSOTA Charter School

For the period of July 1, 2011 through August 31, 2016, a total of \$701,793 was paid to CCI church by GSOTA for its school facility lease. Table 6 below summarizes the OIG's analysis of the annual lease payments GSOTA paid to CCI church to rent the charter school's facilities located within the CCI church's premises.

Table 6

FY	PAYEE	TOTAL LEASE PAYMENTS	RELATED PARTY NAME	RELATIONSHIP TO GSOTA
2011- 2012	CCI Church	\$ 110,000.04	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2012- 2013	CCI Church	\$ 129,999.96	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2013- 2014	CCI Church	\$ 150,906.29	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2014- 2015	CCI Church	\$ 129,999.96	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2015- 2016	CCI Church	\$ 119,166.63	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2016- 2017	CCI Church	\$ 61,720.00 ⁴	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
	TOTAL	\$701,792.88		

Violation of Florida Statute §112.313(3) Doing Business with One's Agency

Florida Statute §112.313, Standards of conduct for public officers, employees of agencies, and local government attorneys defines a 'public officer' as any person elected or appointed to hold office in any agency, including any person serving on an advisory body. Florida Statute §112.313(3), Doing Business with One's Agency, states:

'No employee of an agency acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer's or employee's spouse or child is an officer, partner, director, or proprietor or in which such officer or employee or the officer's or employee's spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer's or employee's own agency, if he or she is a state officer or employee, or to any political subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision.'

Given the business and familial relationships that exist between the individuals who operate CCI and the GSOTA charter school, the school's facility lease with CCI is in violation of Florida Statute §112.313(3), 'Doing Business with One's Agency.'

5. Use of Public Funds for Religious Purposes

In our review of the supporting documentation for GSOTA's 2012 financial transactions, the OIG found a document titled, 'Covenant Centre International Contribution Summary 2012,' and issued to GSOTA charter school by 'Dr. Norman Benz, Lead Pastor.' The Contribution Summary for 2012 itemization 27 payments totaling \$135,555, which CCI church received from the GSOTA charter school. {See Exhibit_____ for copy of Contribution Summary.}

Dr. Norman Benz, Lead Pastor, also wrote a note to GSOTA which states, in part, as follows:

'Below is the record of your giving for 2012. I am so thankful for your tithe and offering ... This yearly statement reflects our record of your giving for 2012, broken down by category on page one and a listing of all gifts on the following page. Your contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings.'

Based on review of relevant supporting documentation, the OIG traced each 'tithe and offering' listed on the contribution statement to GSOTA's accounting records and source documents. The OIG determined that the check payments which CCI church received from the charter school were the monthly lease payments and other expense payments CCI church (Landlord) received from GSOTA charter school (Tenant).

Additionally, the OIG reviewed the corresponding cancelled check payments and noted that 'Jeanne Benz,' GSOTA's Director of Operations for GSOTA and a member of CCI Church's leadership team, signed 11 of the 27 check payments issued to CCI church in calendar year 2012. {See Exhibit _____ for cancelled check copies.}

...

State of Florida Constitution Prohibits the Use of Public Funds for Religious Purposes.

The Constitution of the State of Florida Article 1, 'Declaration of Rights,' Section 3. 'Religious Freedom' states in part that,

'No revenue of the state or any political subdivision or agency thereof shall ever be taken from the public treasury directly or indirectly in aid of any church, sect, or religious denomination or in aid of any sectarian institution.'

Given that the Contribution Summary for 2012 from CCI church was included in GSOTA's supporting documentation provided to the OIG, it appears that the charter school had knowledge that CCI church classified GSOTA's 2012 payments to CCI as

charitable contributions. Moreover, the fact that Dr. Norman Benz's note to GSOTA stated that the 'contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings ...' constitutes a violation of Florida law which prohibits the use of public funds for religious purposes...

6. Analysis of GSOTA Payments to CCI Church Classified as "Other Expenses".

...

Total Costs of \$11,539 for Architect & Engineer Consultant Agreements passed through to GSOTA by CCI Church

The OIG reviewed a Proposal for Professional Services submitted by the engineering firm of "Simons & White, -Inc." (Consultant) to Covenant Centre International, Inc. (Client), which was dated April 9, 2015 and addressed to Erik Benz. The scope of services included site plan changes and engineering related issues for a drainage report with a total cost of \$700. The Proposal was accepted and signed by Erik Benz, as Director for Covenant Centre International on April 9, 2015. {See Exhibit_____ for supporting documentation.}

The OIG reviewed a second fee estimate submitted to Covenant Centre International, Inc. on April 14, 2015 from the landscape architect firm of "Cotleur & Hearing Landscape Company." The fee estimate was emailed to Erik Benz by Cotleur & Hearing with an attached itemization of the services to be provided and the associated fees, which totaled \$10,838.58. Per the email from Cotleur & Hearing, CCI church was instructed to make its payment payable to "PBC BOCC" (i.e. the Palm Beach County Board of County Commissioners.) {See Exhibit_____}

Based on review of GSOTA's accounting records and supporting documentation, the OIG found Invoice 903 from CCI church to GSOTA dated April 14, 2015, which requested GSOTA to pay CCI church a total of \$11,538.58 for land development and engineering fees. Table 9 below provides a detailed breakdown of CCI church's Invoice 903 to the charter school. {See Exhibit_____ for supporting documentation.}

TABLE 9

Qty.	DESCRIPTION	UNIT PRICE
1	Land Development Application Fee for Fees associated with Application for Rezoning as per Palm Beach County Board of County Commissioners and Palm Beach County Building & Zoning (Cotleur & Hearing)	\$ 10,838.58
1	Engineering Fees for Drainage Report (Simons & White)	700.00
	TOTAL	\$ 11,538.58

A review of the fee estimate submitted to CCI church by "Cotleur & Hearing Landscape Company" shows that the entire 4 acre property owned by CCI church was included in the fee estimate and included the following structural square footage of CCI' s buildings:

<u>AREA</u>	<u>SQUARE FOOTAGE (SF)</u>	<u>% of TOTAL</u>
1. Place of Worship	6,986 SF	20%
2. Daycare	1,302 SF	4%
3. Charter School	20,260 SF	56%
4. Accessory	<u>7,052 SF</u>	<u>20%</u>
TOTAL SQUARE FOOTAGE	35,600 SF	100%

The OIG questions the propriety of charging the charter school for the entire cost for CCI' s building improvements when (a) GSOTA charter school is not the legal owner of the church property and (b) Florida law prohibits the use of public funds for religious purposes. As demonstrated in the OIG's analysis above, the charter school's footprint represents 56% of the total square footage of CCI church's facility. To avoid the use of taxpayer dollars for religious purposes, the cost of the building improvements should have been prorated between CCI church and GSOTA charter school based on the square footage leased for the school facility.

7. GSOTA Charter School Conducted Business with Related Parties

Based on review of GSOTA's accounting records, supporting documentation, and GSOTA vendors' online corporate filings with the Florida Secretary of State's Division of Corporations, the OIG noted that the charter school conducted official school business with several related parties. Table 10 below summarizes the OIG's analysis of the total amounts the GSOTA charter school paid to five (5) related parties for the period July 1, 2011 through August 31, 2016. {See Exhibit _____ for supporting documentation.}

...

Violation of Florida Statute §112.313(3) Doing Business with One's Agency

Florida Statute §112.313, Standards of conduct for public officers, employees of agencies, and local government attorneys defines a 'public officer' as any person elected or appointed to hold office in any agency, including any person serving on an advisory body. Florida Statute §112.313(3), Doing Business with One's Agency, states:

'No employee of an agency acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer's or employee's spouse or child is an officer, partner, director, or proprietor or in which such officer or employee or

the officer's or employee's spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer's or employee's own agency, if he or she is a state officer or employee, or to any political subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision.'

Given the business and familial relationships that exist between the GSOTA charter school and the vendors listed in Table 10 above, these business transactions constitute violations of *Florida Statute §112.313(3), 'Doing Business with One's Agency.'*

EXHIBITS

- ✓ **EXHIBIT 1: Christina Seymour Complaint dated May 1, 2017 pages 24-172**
- ✓ **EXHIBIT 2: PBCSD OIG Final Investigative Report case#16-474 GSOTA dated July 17, 2017 pages 173-668**
- ✓ **EXHIBIT 3: Ms. Seymour Financial Review Draft dated February 16, 2017 pages 669-704**
- ✓ **EXHIBIT 4: Email from Christina Seymour dated May 29, 2018 pages 705-707**
- ✓ **EXHIBIT 5: June 2018 Event Calendar for CCI Church page 708**
- ✓ **EXHIBIT 6: Response from Lung Chiu dated July 25, 2018 page 709**
- ✓ **EXHIBIT 7: Response from Elizabeth McBride dated July 31, 2018 pages 710-711**

Mrs. Christina "Tina" Seymour, CPA, MBA
7888 140th Avenue N
West Palm Beach, FL 33412

May 1, 2017

SCHOOL DISTRICT OF PALM BEACH COUNTY
ATTN: Board Chairman Chuck Shaw
3300 Forest Hill Boulevard; Room C-316
West Palm Beach, FL 33406

SCHOOL DISTRICT OF PALM BEACH COUNTY
ATTN: Dr. Robert M. Avossa, Ed. D
3300 Forest Hill Boulevard; Room C-316
West Palm Beach, FL 33406

RE: WHISTLEBLOWER COMPLAINT – DISTRICT OFFICE OF INSPECTOR
GENERAL

Dear Chairman Chuck Shaw and Dr. Robert M. Avossa, Ed. D.:

In accordance with the School Board of Palm Beach County Policy 3.28, *"Whistleblower Protection Policy, Subsection 3. Policy Statement,"* I am addressing this letter to each of you, as this matter concerns the conduct of the District's Inspector General (IG), Mr. Lung Chiu, with regards to the Office of Inspector General's (OIG) recently concluded investigation of the charter school, "Gardens School of Technology Arts, Inc. – GSOTA."

Additionally, I am requesting Whistleblower Protection as this matter involves omissions and misrepresentations of material facts from the OIG's Preliminary Report of Investigation - OIG Case #16-474, which my financial audit uncovered and were documented in my original Draft Audit Report and exhibits that I provided to IG management on Thursday, February 16, 2017. By "sanitizing" the OIG's Report of Investigation - Case #16-474, the School Board members and District management would not be provided with all of the substantive financial audit findings and conclusions which the District needs to rely upon when making a determination as to whether or not to renew the GSOTA Charter Agreement.

The OIG's investigation was predicated on the fact that GSOTA charter school requested a 15-year charter term on April 14, 2016 from the School District, which would *"facilitate the landlord's efforts to secure financing to expand the school's facilities to accommodate growth."* {See Exhibit 12 for GSOTA's legal counsel's correspondence to the the School District's Office of General Counsel.} The GSOTA charter school's Landlord is "Covenant Centre International, Inc. (CCI church)," whose Lead Pastor Dr. Norman Benz, is also the father of the Founder of the GOSTA charter school, Mr. Erik Kristopher "Kris" Benz.

As a not-for-profit entity, CCI church is, *in general*, exempt from federal income tax, unless it has what the Internal Revenue Service (IRS) refers to as "unrelated business" which is subject to "unrelated business income tax - UBIT." A church owes income taxes if it has income that is from a regularly conducted trade or business and is not substantially related to its exempt purpose. The IRS requires for real estate that is subject to a "purchase money mortgage" (*i.e. debt financed property*) and is leased to a third party to pay income tax on the rental income received from the lessee. Due to the fact that IG management was not in agreement with my recommendation that we make inquiries of the Landlord's finances with regards to its facilities, I will emphasize that during my financial review I was unable to verify if CCI church owned its church property "free-of-debt" or if CCI had a purchase money mortgage for its facilities that CCI leases to GSOTA charter school.

Throughout my review of the GSOTA charter school's financial records, I kept the IG management well-aware of my audit findings and conclusions. During my audit, I found in GSOTA's accounting records a two-page document titled, "Covenant Centre International Contribution Summary 2012 – S.O.T.A." *{See Exhibit 4 for these documents.}* The 2012 Contribution Summary was issued to GSOTA charter school by "Dr. Norman Benz, Lead Pastor." The Contribution Summary for 2012 itemized 22 payments totaling \$135,555, which CCI church noted these "tithes" were received from the GSOTA charter school. Additionally, Dr. Norman Benz, Lead Pastor, wrote a note to GSOTA charter school which states, in part, as follows:

"Below is the record of your giving for 2012. I am so thankful for your tithe and offering. This yearly statement reflects our record of your giving for 2012, broken down by category on page one and a listing of all gifts on the following page. Your contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings."

As part of my financial review, I traced each monthly "contribution" dollar amount CCI church listed on the "2012 Contribution Summary for S.O.T.A." to GSOTA's accounting documentation and verified that the \$135,555 total reported by CCI church as "tithes" were in actuality for the charter school's monthly lease and utility payments to CCI for the 2012 calendar year. Depending on whether CCI church owned its property "debt-free" that CCI leased to GSOTA charter school, the CCI church is earning "unrelated business income" from the charter school that is clearly not a charitable tithe, and therefore may be subject to federal income tax.

When the Final Draft Report of Investigation (OIG Case #16-474) was issued to GSOTA charter school for its response on Friday, March 3, 2017, I was not provided the opportunity to review my portion of the consolidated report (*i.e.* my audit findings and conclusions were embedded in the OIG Case #16-474 report). Needless to say, when I finally read the OIG Case #16-474 report on Monday, March 6, 2017, I was astounded that material portions of my audit work were deleted from the final draft report as well as misstated in the draft report for reasons I cannot understand. Not only do these actions undermine the credibility of the District OIG, but it directly undermines my professional credibility as a Certified Public Accountant (CPA) with over twenty (20) years of experience in my profession.

Given that I am licensed CPA in the State of Florida, I am obliged to adhere to the Professional Code of Conduct of the “American Institute of Certified Public Accountants – AICPA.” The AICPA’s *“Integrity and Objectivity Rule 1.100.001”* requires that *“in the performance of any professional service, a member shall maintain objectivity and integrity, shall be free of conflicts of interest, and shall not knowingly misrepresent facts or subordinate his or her judgment.”*¹

As you may recall, I filed a separate Complaint last June 2016 with the Inspector General of Pinellas County through you, Chairman Shaw, as it involved violations of my rights under the federal laws governing the “Family Medical Leave Act – FMLA” by members of the District’s IG management. To my knowledge, my first Complaint is still actively being investigated by the Pinellas County OIG. Since I had filed the first Complaint in June 2016, I had been able to cope with working as an Audit Supervisor in the District OIG. However, when the Final Draft Report of Investigation for OIG Case #16-474 was released in early March 2017, I could no longer work under the current District OIG administration, given the egregious breach of integrity of the audit / investigative process that undermines the credibility of an OIG function. At my request, the District’s Chief of Human of Resources, Dr. Gonzalo La Cava, Ed. D., authorized my interim transfer to the District’s Office of Professional Standards effective Monday, April 17, 2017.

BACKGROUND

The OIG initiated its investigation of GSOTA charter school based on information from District personnel that (1) GSOTA violated the terms of its Charter Agreement by entering into a 15-year lease agreement with its Landlord – “Covenant Centre International, Inc. (CCI)” which is also a related party to one of GSOTA’s Founding Governing Board members; (2) there appeared to be questionable business / management relationships between GSOTA and its Landlord, CCI; and (3) there appeared to be conflicts of interest with related parties who were doing business with the GSOTA charter school.

For contextual purposes, for FY 2015-2016 GSOTA charter school received \$1,737,663 from the “Florida Education Funding Program – FEFP” based on student attendance count of 273 “Full Time Equivalent – FTE” students taken during its October 2015 midyear survey and an FTE student attendance count of 266 students taken during its February 2016 midyear survey.

CHRONOLOGY OF EVENTS

On October 25, 2016, I was assigned to work on the GSOTA charter school investigation under the direction of Ms. Angelette Greene, the OIG Director of Investigations. Ms. Greene provided a Work Plan to me on November 1, 2016 and requested that I perform a financial

¹ AICPA Code of Professional Conduct, effective December 15, 2014 and updated through August 31, 2016. *{See Exhibit 11 for an excerpt from the AICPA’s “Integrity and Objectivity Rule.”}*

review of the following items for the 5-year period of July 1, 2011 through August 31, 2016 for GSOTA charter school: *{See Exhibit 1 for Work Plan.}*

- 1) Determine whether GSOTA charter school experienced any financial emergencies as stipulated in Florida Statute 218.503.
- 2) Determine the accuracy of student Full Time Equivalent (FTE) counts and revenue verification.
- 3) Capital Outlay Funds received and expended.
- 4) Expenses related to the Lease Agreement.
- 5) Financial review of related party transactions for contracted Professional Services Providers.

On a weekly basis, I was requested by Ms. Green to provide to her an “**Activity Report**,” which documented my work hours spent on the GSOTA investigation and the work I had completed during a given week. Further, Ms. Green and I met together several times for a “**Case Status Check**” to discuss my financial review. For reference purposes, I have attached the “**Case Status Check**” for January 18, 2017. The purpose of our meeting on January 18, 2017 was to prepare for a meeting with IG management scheduled for the following day, Thursday, January 19, 2017. On p. 4 of this Case Status Check, Item No. 4, Ms. Green documented: “***Tina – discovered Church may have claimed Rent Payments as Charitable Contributions.” *{See Exhibit 2 for this document.}*

On January 19, 2017, I met with IG Chiu; Ms. Elizabeth T. McBride, General Counsel for the OIG; Mr. Randy Law, Audit Director; and Ms. Green in the OIG conference room to present the interim findings of my financial review of GSOTA charter school. For this meeting, I prepared an agenda titled, “Topics to be Discussed,” and provided each member of the IG management team with a copy of this agenda, which included all of the areas I had reviewed and my preliminary findings. *{See Exhibit 3 for this document.}*

Prior to discussing the agenda Item No. 4, “*Covenant Centre International*” issued GSOTA a ‘contribution statement’ for 2012 tithes,” I handed each of the IG management team a copy of a two-page document I obtained from GSOTA’s accounting records which was titled, “Covenant Centre International Contribution Summary 2012 – S.O.T.A.” *{See Exhibit 4 for these documents.}*

The 2012 Contribution Summary was issued to GSOTA charter school by “Dr. Norman Benz, Lead Pastor.” The Contribution Summary for 2012 itemized 22 payments totaling \$135,555, which CCI church noted these “*tithes*” were received from the GSOTA charter school. Additionally, Dr. Norman Benz, Lead Pastor, wrote a note to GSOTA charter school which states, in part, as follows:

“Below is the record of your giving for 2012. I am so thankful for your tithe and offering...This yearly statement reflects our record of your giving for 2012, broken down by category on page one and a listing of all gifts on the following page. Your contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except

intangible spiritual blessings.”

As part of my financial review, I traced each “contribution” dollar amount CCI church listed on the “2012 Contribution Summary for S.O.T.A.” to GSOTA’s accounting documentation and verified that the \$135,555 total reported by CCI church as “tithes” were in actuality for the charter school’s monthly lease and utility payments to CCI for the 2012 calendar year.

During the status check meeting on January 19, 2017, to obtain feedback from the IG management team present, I recommended that we “follow the money” and request for CCI church to provide us with its records of contributions that CCI church received from GSOTA charter school. Immediately, Ms. McBride exclaimed, “No we are not! We cannot ask the church to provide us its books!” I attempted to explain to Ms. McBride that when I worked for the Miami-Dade County OIG and Commission on Ethics, I was trained to “follow the money,” when public funds are possibly being spent inappropriately. Ms. McBride again raised her voice at me and said, “No! I do not care what the church did with the money received from the charter school... I have worked with many forensic accountants before!”

Since I did not want to escalate the adversarial tone that Ms. McBride exhibited toward me in this meeting, I continued with the presentation of my interim audit findings. Also, for the remainder of the meeting, no other members of the IG management team made any comments except Ms. McBride, who continued to refuse my requests for her assistance with follow-up items that involved legal issues (i.e. a Resolution approved by the Palm Beach County Planning and Zoning Department with regards to a site plan reconfiguration submitted by “Covenant Center, Inc.” for the purpose of adding square footage for the GSOTA charter school.).

PRESENTATION OF MY FINAL DRAFT AUDIT REPORT – 02/16/2017

On Thursday, February 16, 2017, I presented my final draft audit report to both IG Chiu and Ms. Green in the OIG conference room. Ms. Elizabeth McBride was invited to attend but was not present in the meeting. *{See Exhibit 5 for IG Chiu’s email to Ms. Green, Ms. McBride and me on 02/16/2017.}*

My draft audit report contained a Table of Contents, the Draft Audit Report, and Exhibits that supported my audit findings and conclusions. *{See Exhibit 6 for my Final Audit Draft Report.}* Both IG Chiu and Ms. Green listened to my presentation of my audit report’s findings and seemed to be in agreement with all of the audit findings and Exhibits that I presented, specifically the following audit conclusions that were deleted and/or materially misstated in the Final Draft Report of Investigation – OIG #16/474, that was issued on March 3, 2017:

1. Use of Public Funds for Religious Purposes – p. 11 of *Exhibit 6*. CCI church issued a Contribution Summary to GSOTA charter school for calendar year 2012, totaling \$135,555. *{See Exhibit 4.}*

2. Constitution of the State of Florida Article 1, "Declaration of Rights," Section 3. Religious Freedom – prohibition of the use of public funds for religious purposes. *{See p. 13 of Exhibit 6.}*
3. Total Costs of \$11,539 for Architect & Engineer Consultant Agreements passed through to GSOTA by CCI Church.

The last paragraph of this audit finding, which is my conclusion, was deleted from the Final Draft Report of Investigation – OIG #16/474, which read as follows: *{See p. 16 of Exhibit 6.}*

"The OIG questions the propriety of charging the charter school for the entire cost for CCI's building improvements when (a) GSOTA charter school is not the legal owner of the church property and (b) Florida law prohibits the use of public funds for religious purposes. As demonstrated in the OIG's analysis above, the charter school's footprint represents 56% of the total square footage of CCI church's facility. To avoid the use of taxpayer dollars for religious purposes, the cost of the building improvements should have been prorated between CCI church and GSOTA charter school based on the square footage leased for the school facility."

4. GSOTA Charter School Conducted Business with Related Parties:

The violation of Florida law was deleted from this audit finding in the Final Draft Report of Investigation – OIG #16/474. *{See p. 18 of Exhibit 6.}* The paragraphs that I had included in my audit draft report, which were deleted in the Final Draft Report of Investigation – OIG #16/474, are as follows:

"Florida Statute §112.313, Standards of conduct for public officers, employees of agencies, and local government attorneys" defines a "public officer" as any person elected or appointed to hold office in any agency, including any person serving on an advisory body. Florida Statute §112.313, (3), Doing Business with One's Agency, states:

"No employee of an agency acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer's or employee's spouse or child is an officer, partner, director, or proprietor or in which such officer or employee or the officer's or employee's spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer's or employee's own agency, if he or she is a state officer or employee, or to any political

subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision."

Given the business and familial relationships that exist between the GSOTA charter school and the vendors listed in **Table 10** above, these business transactions constitute violations of *Florida Statute §112.313 (3), "Doing Business with One's Agency."*

On February 21, 2017, Ms. Green sent me an email informing me that, *"as discussed, I dropped your report "as is" within the report."* Ms. Green further stated, *"I will provide Liz with a copy of the entire report to review today."* {See Exhibit 7 for email.}

RELEASE OF FINAL DRAFT REPORT OF INVESTIGATION – OIG CASE #16-474 – 03/03/2017

The Draft Report of Investigation of GSOTA charter school (OIG Case #16-474) was to be issued to the charter school on Friday, March 3, 2017. However, if the OIG 16-474 draft report was completed on Friday, March 3, 2017, I was not provided with a copy of the report.

On Monday, March 6, 2017, I located the OIG Case #16-474 Draft Report on the IG's shared network drive, which included a cover letter addressed to the GSOTA Board Chair, Ms. Debra K. Moore, and the GSOTA charter school's Principal Mr. Kevin Kovacs. It should be noted that the report's cover letter was from "Lung Chiu, Inspector General," but was signed for Lung Chiu by Ms. Elizabeth T. McBride, the OIG General Counsel, who placed her initials of "ETM" next to IG Chiu's name that she signed. The cover letter provided detailed instructions to GSOTA for providing its written response within twenty (20) working days, etc {See Exhibit 8 for the cover letter, signed by Ms. McBride and the OIG Case #16-474 Final Draft Report issued to GSOTA on March 3, 2017.}

As I previously stated, when I finally read the OIG Case #16-474 report on Monday, March 6, 2017, I was astounded that material portions of my audit work were both deleted and misstated in an effort to water-down the potential implications of the audit findings and conclusions for the GSOTA charter school investigation. {See Exhibit 9 for an excerpt of the "Financial Accountability Review" that I performed as part of the OIG Case #16-474. I highlighted the areas where my audit findings and conclusions were "sanitized."}

The following are the pages of the OIG Case #16-474 report where my audit findings and conclusions were omitted and/or significantly misstated by the District's OIG: {See Exhibit 6 for my final Draft Audit Report that should have been "dropped in" the final OIG Case 16-474 report.}

1. Exhibit 9 - Page 18 of 54: "OIG Analysis of Lease Payments to CCI from GSOTA Charter School." Whomever edited the final report issued to GSOTA charter school, deleted two (2) columns in Table 6 that documented the related party names and the person's relationship to GSOTA charter school. {See Exhibit 6 p. 10.}

2. *Exhibit 9* - Page 18 of 54: **“Violation of Florida Statute 112.313(3) Doing Business with One’s Agency”** audit conclusion was completely deleted. *{See Exhibit 6 p. 10.}*
3. *Exhibit 9* - Page 18 of 54: **“Use of Public Funds for Religious Purposes”** audit finding and conclusion was completely deleted. *{See Exhibit 6 pp. 11 - 13, Finding No. 5.}* For emphasis purposes, here is audit finding and conclusion that was deleted by OIG management from my completed audit draft report:

In our review of the supporting documentation for GSOTA's 2012 financial transactions, the OIG found a document titled, “Covenant Centre International Contribution Summary 2012,” and issued to GSOTA charter school by “Dr. Norman Benz, Lead Pastor.” The Contribution Summary for 2012 itemization 27 payments totaling \$135,555, which CCI church received from the GSOTA charter school. *{See W/Ps G3 for copy of Contribution Summary.}*

Dr. Norman Benz, Lead Pastor, also wrote a note to GSOTA which states, in part, as follows:

“Below is the record of your giving for 2012. I am so thankful for your tithe and offering...This yearly statement reflects our record of your giving for 2012, broken down by category on page one and a listing of all gifts on the following page. Your contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings.”

Based on review of relevant supporting documentation, the OIG traced each ‘*tithe and offering*’ listed on the contribution statement to GSOTA’s accounting records and source documents. The OIG determined that the check payments which CCI church received from the charter school were the monthly lease payments and other expense payments CCI church (Landlord) received from GSOTA charter school (Tenant).

State of Florida Constitution Prohibits the Use of Public Funds for Religious Purposes

The Constitution of the State of Florida Article 1, “Declaration of Rights,” Section 3. “Religious Freedom” states in part that,

“No revenue of the state or any political subdivision or agency thereof shall ever be taken from the public treasury directly or indirectly in aid of any church, sect, or religious denomination or in aid of any sectarian institution.”

Given that the Contribution Summary for 2012 from CCI church was included in GSOTA's supporting documentation provided to the OIG, it appears that the charter school had knowledge that CCI church classified GSOTA's 2012 payments to CCI as charitable contributions. Moreover, the fact that Dr. Norman Benz's note to GSOTA stated that the "*contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings...*" constitutes a violation of Florida law which prohibits the use of public funds for religious purposes.

4. *Exhibit 9* - Page 21 of 54. The following audit conclusion was deleted from the church facilities square footage analysis that I performed:

The OIG questions the propriety of charging the charter school for the entire cost for CCI's building improvements when (a) GSOTA charter school is not the legal owner of the church property and (b) Florida law prohibits the use of public funds for religious purposes. As demonstrated in the OIG's analysis above, the charter school's footprint represents 56% of the total square footage of CCI church's facility. To avoid the use of taxpayer dollars for religious purposes, the cost of the building improvements should have been prorated between CCI church and GSOTA charter school based on the square footage leased for the school facility.

GSOTA'S RESPONSE TO THE PRELIMINARY INVESTIGATIVE REPORT, OIG CASE #16-474

On April 3, 2017 the GSOTA charter school's Governing Board Chair, Ms. Debra Moore, delivered GSOTA's written response to the OIG Investigative Report, Case #16-474. *{See Exhibit 10 for GSOTA's response.}* Page 1 of the GSOTA response, "*Findings as to Complaints,*" states as follows:

"The Office of Inspector (OIG) conducted a comprehensive review, which took place over approximately seven months and included a review of well over 1,000 documents over five years, site visits and interviews with GSOTA staff. The OIG concluded that none of the complaints described above were substantiated. The OIG made minor findings which are addressed in this response."

Further, GSOTA's responses to the "Financial Accountability" review that I performed underscore egregiousness of the District's IG both omitting and misrepresenting my audit findings that I had provided to IG management on February 16, 2017. In particular, GSOTA's response to Finding 2D. "*Expenses related to Lease Agreement,*" Item C. states,

“NO FINDINGS. While not drawing any conclusions, the report notes that Jeanne Benz signed checks to the landlord while also being a member of Covenant Centre’s “leadership team.” This language is not accurate and it is unclear from where this terminology came. Jeanne Benz has no authoritative or decision-making capacity at Covenant Centre and is simply a member of the pastoral team available to members of the congregation in their time of need. Additionally, checks signed by Jeanne Benz to Covenant Centre were those which required two signatures and were made in accordance with the lease.”

This response by GSOTA of the “Financial Accountability” review *“not drawing any conclusions”* is directly related to the sanitization of my audit findings in the IG’s “Preliminary Report of Investigation,” dated March 3, 2017. *{See Exhibit 8 for the Preliminary Report of Investigation Case #16-474.}* Specifically, the deletion of the material audit finding that CCI church classified GSOTA’s 2012 lease payments of \$135,555 as charitable contributions received from GSOTA charter school and as stated by the CCI Pastor Dr. Norman Benz’s that these *“contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings...”* constitutes a violation of Florida law which prohibits the use of public funds for religious purposes.

Should you need me to discuss these issues further, I can be reached via my personal cell phone: (561) 676-5444.

Thank you for your time and attention to my concerns.

Sincerely,



Christina M. Seymour, CPA

Attachments

EXHIBITS

1. Exhibit 1 - OIG Work Plan
2. Exhibit 2 - Case Status Check - 01/18/2017
3. Exhibit 3 - Agenda Prepared by C.M. Seymour - 01/19/2017
4. Exhibit 4 - CCI Contribution Summary Statement 2012 to GSOTA
5. Exhibit 5 - OIG Emails 02/16/2017
6. Exhibit 6 - C.M. Seymour's Draft Audit Report 02/16/2017
7. Exhibit 7 - OIG Emails 02/21/2017
8. Exhibit 8 - OIG Preliminary Report of Investigation 03/03/2017
9. Exhibit 9 - Excerpt from OIG Investigation Report Showing Deletions / Omissions of OIG Audit Supervisor
10. Exhibit 10 - GSOTA Charter School Response 04/03/2017
11. Exhibit 11 - AICPA Code of Professional Conduct
12. Exhibit 12 - Correspondence from the Law Offices of Kathleen W. Schoenberg, P.A. - GSOTA Charter School

B-4113
 CMS = CMS
 3/23/11

Case # 16-474

November 1, 2016

To: Christina Seymour, CPA, MBA

Fr: Angelette Green, Director of Investigation

Re: Gardens School of Technology Arts, Inc (GSOTA). – Investigation

Tina as follow-up to our conversations and meetings regarding GSOTA:

Audit Review Scope: Time Frame July 1, 2011 through August 31, 2016

Overview:

GARDENS SCHOOL OF TECHNOLOGY ARTS	
Type	Not for Profit Corporation
Location	9153 Roan Lane Palm Beach Gardens, FL 33403
Serving Grades	K - 8
Incorporated in 2009	Shane Vander Kooi Kristopher (Erik) Benz
Registered Agent	Terrence N. Freeman II

STUDENT ENROLLMENT HISTORICALS

SY 2015/16		SY 2014/15		SY 2013/14		SY 2012/13		SY 2011/12	
Oct-15	Feb-16	Oct-14	Feb-15	Oct-13	Feb-14	Oct-12	Feb-13	Oct-11	Feb-12
273	266	224	236	218	229	171	171	136	131

FTE (Full-Time Equivalent)

Survey 2 Week October

Survey 3 Week February

"WORK PLAN" 11/1/2016



B4 2/3
CME

Tina I would like your Audit review of GSOTA's Financial Accountability to cover the following specifically:

As it relates to FTE: Reporting of Student Full Time Equivalent (FTE) Count

1. The above information was provided by Gardens School of TechnologyArts, Inc- please confirm in comparison with District records if the above mentioned reporting is accurate.
2. Please identify how much funding GSOTA received in monthly payments (break it down by school fiscal year (June/July).
3. Please review Data to ensure GSOTA did not over-report any students during the identified time frame.

E
↓

As it relates to contracted Professional Services

1. As discussed on October 25, 2016, please identify how much and from which account GSOTA paid each consultant over the stated time frame. Please break it down by school fiscal year (June/July) The Professional Services discussed were: Five K Financial, Green Mouse Academy, 1st Stop Generator Shop, Matthew Ronance, Accellearn LLC, Tom Pilecki, The Children's Academy, and Allard Computer Consultant. Also include Blue Heaven Computer Consultants.

H
↓

As it relates to the Lease agreement between GSOTA and Covenant Centre, Inc (The Church)

1. Please conduct an analysis of the General Ledger for the time frame stated indicating a break down (in dollar amounts) of how much GSOTA paid monthly to the Church in lease fees.
2. Please conduct an analysis of the General Ledger for the time frame stated indicating a break down (in dollar amounts) of how much GSOTA paid monthly to the Church for "other" expenses. (For example see invoice #5050.dated 07/01/2013 for the amount of \$1550.00- what are these extra expenses for?—there was no mention of extra fees in the lease)

G
↓

I have attached as an example from school year 2013-2014 see item #1 for reference)

As it relates to GSOTA Financial Accountability

1. Please review GSOTA's financial records to ensure GSOTA did not experience any financial experiences as stipulated in Florida Statute 1002.345 and 218.503. (i.e. did their ledgers balance, were they able to meet payroll, any bounced checks etc..)
2. Also review and identify GSOTA's Financial Internal Controls—(i.e. where they in compliance with the Internal Accounts Manual Chapter 7, where expenditures accurately documented, where there missing checks, checks out of sequence etc.)

D
↓
Hpp: 4+5
↓

As it relates to Documented Activity and your work on this investigation please ensure to complete the Activity Report(s) provided to you on October 31, 2016 --documenting the time you spent assisting with this investigation. Please submit them to me each Friday along with your completed work for the week.

B-5
↓

B-4 3/3
AMS

As you are aware, we have a time line of when we need to have this Investigation completed. It is my hope to have this investigation completed by November 30, 2016. Randy has assured me that he has suspended your work on other projects so that you can devote your time assisting with the investigation uninterrupted.

Again I thank you for your time and professionalism in assisting with this investigation. If you have any questions do not hesitate to discuss them with me.

Thanks

Angelette Green
Director of Investigations

1/18/2017
Tina
* Updates in Red

Case Status Check

Case# 16-474

Gardens School of Technology—Financial Review

Format to follow
tomorrow @ Review
01/19/2017
OF Financial Review
(aj)

Date Complaint Received: August 9, 2016

Complainant: PBSO Charter School Department (Jim Pegg, Director)

PBSO Legal Counsel (Denise Sagerholm, Attorney)

Date Auditor Assigned: October 25, 2016

Lead Investigator: Angelette Green, Director of Investigation

Lead Auditor: Christina Seymour

Anticipated completion date: November 30, 2016

New Target Date: _____

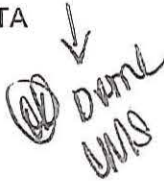

Status Check Dates: December 14, 2016

January 11, 2017

	Area Reviewed	Progress	Preliminary-Concerns Discovered	Targeted Completion Date	Additional Comments/ To Be Addressed
1	Reporting of Student FTE- Funding	94% completed 95% complete- awaiting response: PJ	No concerns discovered Tina received info from: Heather & Jim Pegg	12/23/2016- Tina to write narrative summary after confirming with District Staff- draft completed	The following to be contacted: Heather, Pegg, PJ D'Aoust to determine if the District has experienced any issues with



1/11/17
was to check
with PJ

					GSOTA's FTE Reporting
2	Capital Outlay Funding(New-added)		<ul style="list-style-type: none"> To determine if Capital Outlay dollars are being utilized appropriately. Analyze and Compare FTE Funds that have paid to GSOTA <p style="text-align: right;">  </p>	<p>12/23/2016- Tina to write narrative summary after confirming with District Staff</p> <p>Tina to find out from Heather when and if GSOTA receives Capital Outlay dollars from the District/State?-confirmed (yes)</p> <p>Estimate 20-30 hours to complete</p>	<p>Tina need to do the Analysis</p> <ul style="list-style-type: none"> Got the documents needed from People Soft Need to create a spread sheet for (13/14 14/15 and 15/16) <p style="text-align: right;">  </p>

<p>3</p>	<p>***Professional Services</p> <p>Tina</p> <p>For this part I just need you to go over the dollar amounts paid to each</p> <p>* The relationships are pretty much defined under the Concern Section</p>	<p>100% completed</p> <p>95 %-</p> <p>Field work completed</p>	<p>Yes- concerns discovered with:</p> <ul style="list-style-type: none"> • Current Governing Board Member conducting business with the school (1st Stop Generator) • Afterschool program (The Children's Academy) President: Judy Benz & Vice President: Jeanne Benz. (Jeanne is GSOTA's Director of School Operation) (Judy Benz is her mother-in-law and a founder of the Church) • Five K Financial (for Profit Company). Owner: Erik Benz, husband of Jeanne Benz, son of Judy Benz. Original Founder of the School (GSOTA). Currently sits on the Church Governing Board as Secretary. Handling the School Expansion. • Green Mouse Academy. Owner: Shane Vander Kooi. Original Founder of the School (GSOTA). Served as the Director of the Schools Operation in the beginning. Provides afterschool programming. • Accellearn LLC. Owner: Shane Vander Kooi. Original Founder of the School (GSOTA). Served as the Director of the Schools Operations and Assistant Principal-- in the beginning. Provides afterschool programming. 	<p>12/02/2016- field work completed</p> <p>Tina to write narrative detailing her review of PSC. 12/23/2016</p> <p>focus on dollars \$\$\$</p> <p>yes!</p>	<p>01/11/2017- Tina still need to write Lead Sheet narrative</p> <p>OPED 1/19/17</p>
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			<ul style="list-style-type: none"> Matthew Roncace. Business Partner of Erik Benz. The School's CPA. Cotleur & Hearing. Hired to represent the school for school expansion. Use of FTE Funds for Capital Expansion. Charter Schools are not allowed to pay for permit fees?. See F.S.S. 1013 		
4	<p>****Lease Agreement between GSOTA and The District. – 100 % completed</p> <p>-----</p> <p>4A. Other Expenses-60% completed.</p> <p>***Tina --discovered Church may have claimed Rent Payments as Charitable contributions</p>		<p>Yes- concerns discovered with:</p> <ul style="list-style-type: none"> The School (GSOTA) entered into a 15 year lease agreement with the Church without approval or making the District aware. (See page 44 or GSOTAs original contract with District) <i>(AG will cover)</i> 4A. Other Expenses. It appears the School has been paying some of the Church's utilities- where as in the original contract the Church agreed to pay all utilities. 	<p>4A. Tina analyzing payments listed as "Other"</p>	<p>Missing Invoices for the 2013-2014- not in the boxes. Tina will contact Benz.- completed.</p> <p>Tanya will look through boxes again. (completed- cant locate)</p>
5	<p>GSOTA's Financial Accountability— conduct a small "sample" from each year F.S.S. 1002.345</p>	<p>100% field work completed</p>	<p>Did GSOTA experience any Financial Emergencies?</p> <p><i>NO</i></p> <p>Preliminary Review—They appear to have not experienced any financial emergencies.</p> <p><i>Correct</i></p>	<p>Tina to follow-up with Heather to ascertain if the school experienced</p>	<p><i>NO!</i></p> <p><i>Dame</i></p>

				any financial emergencies & if a CAP was placed on the school. (No)	Tina to write Lead Sheet Target Date: January 13, 2017
6	School Expansion	75% completed	<p>Yes—concerns discovered</p> <ul style="list-style-type: none"> Pass through Invoices from the Church to the School. No supporting or Source documents from the Vendors. <p>Tina will email Jim Pegg to ascertain if GSOTA got approval prior to embarking on School Expansion. (No)</p> <p>Did they violate contract? See page 44 of the contract with District—related to facilities. (Yes)</p> <p>Additional questions to be addressed during final on-site interview and visit related to funding for the school expansion.</p>	Need to contact School to ascertain if they have supporting Source Documents	<p>Legal Question(s): Can FTE dollars be allocated for school expansion?</p> <p>-----</p> <p>Tina--Can we determine which costs were paid out of Capital Outlay dollars vs. FTE Dollars? Tina will check with Heather.</p> <p>-----</p> <p>Target Date: January 20, 2017</p>

Per H.K. Cap. Outlay. Can we use FTE for these PMH

7	Payroll Summary		Tina to contact Jeannie Benz to get copies of 1099's and W2's. (requested 12/15/2016) Received. I will have Tanya do an analysis once we receive documents.	Discussion— could have been a consultant --	Tina-Why didn't Shane Vander Kooi show up on payroll? Served as Dir. Of Oper. (2011,2012,2013 and as Asst. Prin. 2013)
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Side note:

The Church in Year 2012 claimed the monthly lease payments from the School (GSOTA) as charitable donations.

Other Issues to Consider:

1. Look at Form 990 for GSOTA and determine if they (GSOTA) claimed any charitable donations?
2. Need a copy of Form 990 for 2015 from the School. Tina to request. Requested 12/15/2016 will not be ready until @ Feb 15, 2017
3. Section IX on form 990, Line #18 related to Occupancy. Need a break down of what we can prove the school paid vs. what is reported on the form. (See example) * May need to get law enforcement or Jason from FDOE involved. Tina has requested/ received some additional information from Jeannie Benz and Internal CPA for GSOTA. *(NO issue per Heather?)*
 - Tina will look at Form 990 (occupancy) and compare to CPAs independent audit report figures.
 - Tina has requested/ received some additional information from Jeannie Benz and Internal CPA for GSOTA.

**SCHOOL DISTRICT OF PALM BEACH COUNTY
STATUS UPDATE OF AUDIT PROJECT
CASE 16-474 – “Gardens School of Technology- GSOTA”**

**FINANCIAL ANALYSIS & REVIEW
For the period July 1, 2011 through August 31, 2016**

TOPICS to be PRESENTED

1. **FTE Student Counts & FTE Funds paid to GSOTA**
 - (a) Cost Analysis of FTE per Student
 - (b) Cost Analysis of Lease as a % of Student FTE funds
2. **Capital Outlay Funds paid to GSOTA - OPEN – documents received 12/22/16**

*Preliminary analysis of Capital Outlay Funds paid to GSOTA = \$143,850
(FY 2014 – 2017)*

3. **GSOTA Payments for Professional Service Agreements & Possible Conflicts of Interests**
4. **“Covenant Centre International” issued GSOTA a “contribution statement” for 2012 “tithes”**
5. **No Financial Emergencies were experienced by GSOTA for FYs reviewed**
6. **School Facility Expansion (*Note: church property is over 4 acres.*)**

- a. PBC Commission passed “Resolution Approving Zoning Application DOA – Development Order Amendment – Charter School” on April 28, 2016.

GSOTA paid at least \$35,575 to “Cotleur & Hearing” for this company to attend PBC BCC meetings for BCC site plan certification, on behalf of the “Covenant Centre, Inc.”

- b. *The application was submitted by “Covenant Centre, Inc.” by its Agent, “Cotleur & Hearing, Inc. for the purpose of reconfiguring the Site Plan and add square footage for a Charter School. The Architectural Elevations for the Charter School Structures, Building C, D, and E were submitted for Architectural Review for Final Approval by the Development Review Officer (DRO) by PBC Zoning Dept.*
- c. *LIZ – please review this Resolution’s Exhibit C – Conditions of Approval, “Compliance,” subsection 2.a. regarding misrepresentations of the Property Owner/Applicant, which is “Covenant Centre, Inc.”*



Christina M. Seymour, CPA
January 19, 2017

RECEIVED

p. 1/2

Covenant Centre International Contribution Summary 2012

S.O.T.A.

→ "GARDENS School of Technology
ARTS" - GSOTA

Below is the record of your giving for 2012. I am so thankful for your tithe and offering that empowers Covenant to continue to build the Kingdom of God and minister to all His children.

God has spoken to us that 2013 is to be an "extraordinary year;" that He is truly "Doing a new thing;" and that we are to seek Him with all our heart. Let's be faithful to Him, keep pressing in, and expecting His manifest Presence.

This yearly statement reflects our record of your giving for 2012, broken down by category on page one and a listing of all gifts on the following page. Your contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except in intangible spiritual blessings. Thank you so much for your continuing faithfulness.

Our God is incomparable.

Norman D Benz

Dr. Norman Benz, Lead Pastor

Giving for 2012	Amount
Other	\$135,555.00
Total Contribution: \$135,555.00	

p. 2/2



Source: "GSOTA" invoices & receipts provided to OIG.

Covenant Centre International
2011 Contribution Details

S.O.T.A.

Date	Amount
1/8/2012	\$9,166.67 ✓
1/8/2012	\$910.00 ✓
2/1/2012	\$9,166.67 ✓
2/12/2012	\$1,140.00 ✓
2/29/2012	\$9,946.67 ✓
4/5/2012	\$10,066.67
4/22/2012	\$2,200.00 ✓
5/6/2012	\$10,066.67
5/13/2012	\$700.00 ✓
6/3/2012	\$10,066.67 ✓
7/5/2012	\$10,833.33 ✓
7/15/2012	\$700.00 ✓
8/10/2012	\$1,100.00 ✓
9/5/2012	\$10,833.33
9/5/2012	\$937.50
9/30/2012	\$10,833.33
9/30/2012	\$1,050.00
11/2/2012	\$10,833.33
11/11/2012	\$1,050.00
12/2/2012	\$10,833.33
12/6/2012	\$1,237.50
12/30/2012	\$11,883.33

\$135,555⁰⁰

p. 1/2



Christina Seymour <christina.seymour@palmbeachschools.org>

G-SOTA

6 messages

Lung Chiu <lung.chiu@palmbeachschools.org>

Thu, Feb 16, 2017 at 1:44 PM

To: Angelette Green <angelette.green@palmbeachschools.org>, CHRISTINA SEYMOUR <christina.seymour@palmbeachschools.org>, Elizabeth McBride <elizabeth.mcbride@palmbeachschools.org>

Can we get together at 3 today for G-SOTA?

Thank you.

Angelette Green <angelette.green@palmbeachschools.org>

Thu, Feb 16, 2017 at 2:11 PM

To: Lung Chiu <lung.chiu@palmbeachschools.org>

Cc: CHRISTINA SEYMOUR <christina.seymour@palmbeachschools.org>, Elizabeth McBride <elizabeth.mcbride@palmbeachschools.org>

I am available.

On Thu, Feb 16, 2017 at 1:44 PM, Lung Chiu <lung.chiu@palmbeachschools.org> wrote:

Can we get together at 3 today for G-SOTA?

Thank you.

--

Angelette Green, MPA, PHR
 Director of Investigations
 Office of Inspector General
 3138 Forest Hill Blvd., Suite C-306
 West Palm Beach, FL 33406
 561-434-8183

Christina Seymour <christina.seymour@palmbeachschools.org>

Thu, Feb 16, 2017 at 2:43 PM

To: Angelette Green <angelette.green@palmbeachschools.org>

Cc: Lung Chiu <lung.chiu@palmbeachschools.org>, Elizabeth McBride <elizabeth.mcbride@palmbeachschools.org>

I am putting together the Exhibits and Table of Contents.....please give me until at least 3:30.

Thank you.

[Quoted text hidden]

--

Christina "Tina" Seymour, CPA, MBA

Audit Supervisor, Office of Inspector General
 School District of Palm Beach County
 3300 Forest Hill Boulevard
 West Palm Beach, FL 33406
 (561) 432-6361 (office line) / PX# 86361
 (561) 434-8652 (fax line)
 christina.seymour@palmbeachschools.org

**Lung Chiu** <lung.chiu@palmbeachschools.org>

Thu, Feb 16, 2017 at 2:43 PM

To: Christina Seymour <christina.seymour@palmbeachschools.org>

Cc: Angelette Green <angelette.green@palmbeachschools.org>, Elizabeth McBride <elizabeth.mcbride@palmbeachschools.org>

ok. 3:30 pm
[Quoted text hidden]

Christina Seymour <christina.seymour@palmbeachschools.org>
To: Lung Chiu <lung.chiu@palmbeachschools.org>

Thu, Feb 16, 2017 at 2:56 PM

I will have 4 copies to hand out....thanks.
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Christina Seymour <christina.seymour@palmbeachschools.org>
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Thu, Feb 16, 2017 at 3:06 PM

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**Special Review of
Gardens School of Technology Arts, Inc. – GSOTA
Case 16-474
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Special Review of
Gardens School of Technology Arts, Inc. – GSOTA

Case 16-474

The scope of the OIG’s financial review covered the time period of July 1, 2011 through August 31, 2016, which coincides with the start date of “The Gardens School of Technology Arts, Inc. – GSOTA” charter school contract through the last date of financial transactions examined. The auditor made inquiries of GSOTA charter school officials and District staff, and reviewed the following:

1. Applicable *Florida Statutes*.
2. *Rules of the Florida Auditor General*, Chapter 10.850 – “Audits of Charter Schools.”
3. Transcript of GSOTA’s Charter School Applicant Interview on November 11, 2009.
4. GSOTA *Charter Agreement*, (July 1, 2011 through June 30, 2016).
5. GSOTA Annual Audited Financial Statements.
6. GSOTA’s *Financial Controls’* policies.
7. *Lease Agreement* between Gardens School of Technology Arts, Inc. - GSOTA (Tenant) and the Covenant Centre International, Inc. (Landlord) for the period of July 1, 2011 through June 30, 2016.
8. GSOTA’s Full-Time Equivalent (FTE) student reporting for FY 2012 – FY 2016.
9. GSOTA’s FEFP funds for FY 2012 – FY 2016.
10. GSOTA *Charter School Capital Outlay Funding* applications for FY 2015, 2016 and 2017.
11. GSOTA’s monthly bank statements, deposit slips and cancelled checks.
12. GSOTA’s accounting records including its general ledger, cash receipts, cash disbursements and supporting documentation.

FINDINGS & CONCLUSIONS

1. No Reported Financial Emergency Conditions by Independent CPA

Annual financial audits of charter schools are required by *Florida Statute §218.39(1)(e)* and *(f)*. The *Rules of the Auditor General (AG), Chapter 10.850 – “Audits of Charter Schools”* are intended to implement, interpret or make specific statutory provisions that are within the jurisdiction of the Florida Auditor General. Therefore, the Rules of the AG form the basis for the content of the independent audit reports of charter schools prepared by the independent Certified Public Accountants.

Section 10.854(1)(e)2. of the Rules of the Auditor General requires that the independent Certified Public Accountant report the results of whether or not the charter school met one or more financial conditions described in *Florida Statute §218.503(1)* and to identify the specific financial condition(s) met. Thus, the independent Certified Public Accountant is required to apply financial condition assessment procedures for the charter school to determine whether the charter school is in a state of “financial emergency.”

Financial Emergency. Per *Florida Statute §218.503(1)*, a financial emergency exists when any one of the following conditions occurs in a charter school’s financial operations:

1. Failure within the same fiscal year, in which due, to pay short-term loans or failure to make bond debt service or other long-term debt payments when due, as a result of a lack of funds.
2. Failure to pay uncontested claims from creditors within 90 days after the claim is presented, as a result of a lack of funds.
3. Failure to transfer at the appropriate time, due to lack of funds:
 - a. Taxes withheld on the income of employees; or
 - b. Employer and employee contributions for:
 - i) Federal social security; or
 - ii) Any pension, retirement, or benefit plan of an employee.
4. Failure for one pay period to pay, due to lack of funds:
 - a. Wages and salaries owed to employees; or
 - b. Retirement benefits owed to former employees.

Based on review of GSOTA charter school’s independent CPA’s annual financial statement audit reports for FY 2012 through FY 2016, the GSOTA charter school did not meet any of the conditions described in *Florida Statute §218.503(1)*, *Financial Emergency*.

No exceptions noted.

2. FEFP Funding & FTE Mid-Year Counts

The Gardens School of Technology Arts, Inc. (GSOTA) *Charter Agreement*, specifically *Section 4.A.1.a “Financial Accountability,”* provides that the primary basis for funding for the charter school’s operations is its proportionate share of funds from the “*Florida Education Funding Program – FEFP.*” At the start of a charter school’s operations, Full Time Equivalent (FTE) is based on the charter school’s projected student enrollment. Once the school year begins, FTE is revised based on actual counts of student enrollment and attendance during an eleven (11) day, Florida Department of Education (FDOE) specified, FTE survey period taken in October and February of each school year.

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Additionally, charter schools are required to report its student enrollment to its Sponsor, (i.e., the District) in accordance with the policies and procedures specified in *Florida Statute §1011.60, "Minimum requirements of the Florida Education Finance Program - FEFP."* For example, the charter school is required to use the District's electronic data processing system and procedures for the processing of student enrollment, attendance, FTE collection, etc.

The provisions of *Florida Statutes §1011.62, "Funds for operation of schools,"* requires the District to report the number of full-time equivalent (FTE) students and related data to the FDOE for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods, as previously stated above.

FEFP Funding Received by GSOTA

For FY2011 - 12 through FY2015 -16, the OIG reviewed the amount of FEFP funds the School District paid to GSOTA based on the charter school's student count. **Table 1** below summarizes the total FEFP funds the GSOTA charter school received for the period reviewed.

Table 1

FEFP PAYMENTS ISSUED TO GSOTA		
YEAR #	FISCAL PERIOD	TOTAL PAID
1	FY 2011 -12	\$ 745,547.00
2	FY 2012 -13	1,013,891.00
3	FY 2013 -14	1,387,738.00
4	FY 2014 -15	1,458,219.27
5	FY 2015 -16	\$ 1,737,663.11

Accuracy of FTE Counts for GSOTA

For School Year (SY) 2011 - 12 through SY 2015 -16, the OIG verified the accuracy of the mid-year student attendance counts by comparing the FTE counts provided to the OIG by GSOTA to the "Enrollment Summary" records in the District's TERMS database. Our objective was to verify that GSOTA did not over-report FTE student attendance counts and ensure GSOTA's FTE revenues were computed correctly.

Table 2 below summarizes the FTE counts for students attending GSOTA charter school for the SY 2011 -12 through SY 2015 – 16 as noted in the District’s TERMS database:

Table 2

GSOTA FTE STUDENT COUNTS		
FISCAL YEAR	OCTOBER MID-YEAR COUNT	FEBRUARY MID-YEAR COUNT
2011 - 2012	136	131
2012 - 2013	178	178
2013 – 2014	234	229
2014 – 2015	234	236
2015 - 2016	273	266

Based on inquiry of Distract staff and review of GSOTA's enrollment count records in TERMS, GSOTA's FTE was accurately reported for the FY 2012 through FY 2016.

No exceptions noted.

3. Capital Outlay Funds Received by GSOTA Charter School

Charter School Capital Outlay funds are annually allocated to eligible charter schools by the Florida Commissioner of Education. The funding received under this program are based on the School’s actual and projected student enrollment during the fiscal year.

Each year the Florida Department of Education (FDOE) releases an online application, which eligible charter schools must complete and submit to FDOE. The charter school's sponsor is required to review the application and provide a recommendation to the FDOE Department. The Commissioner of Education makes the final eligibility determination for a given charter school.

Florida Statute §1013.62, “Charter Schools Capital Outlay Funding,” governs the appropriation and use of capital outlay funding for those charter schools which meet the eligibility criteria set forth in the Florida Statutes. This statute establishes the criteria a charter school is required to meet in order to be eligible to receive capital outlay funds. The School must:

1. Have been in operation for 2 or more years.
2. Be governed by a governing board established in the state for 3 or more years, which operates both charter schools and conversion charter schools within the state.

3. Be an expanded feeder chain of a charter school within the same school district that is currently receiving charter school capital outlay funds.
4. Have been accredited by the Commission on Schools of the Southern Association of Colleges and Schools.
5. Have an annual audit that does not reveal any of the financial emergency conditions provided in s. 218.503(1) for the most recent fiscal year for which such audit results are available.
6. Have satisfactory student achievement based on state accountability standards applicable to the charter school.
7. Have received final approval from its Sponsor pursuant to *Florida Statute 1002.33, Charter Schools*, for operation during that fiscal year.
8. Serve students in facilities that are not provided by the charter school's sponsor.

Florida Statute §1013.62(a) states a charter school's governing body may use charter school capital outlay funds for the following purposes:

1. Purchase of real property.
2. Construction of school facilities.
3. Purchase, lease-purchase, or lease of permanent or relocatable school facilities.
4. Purchase of vehicles to transport students to and from the charter school.
5. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer.
6. Effective July 1, 2008, purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support school-wide administration or state-mandated reporting requirements.
7. Payment of the cost of premiums for property and casualty insurance necessary to insure the school facilities.
8. Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

We reviewed the FDOE's Office of Independent Education & Parental Choice website and verified that the charter school, "Gardens School of Technology Arts, Inc. – GSOTA," submitted "Charter School Capital Outlay" applications for three (3) consecutive years to the FDOE. A review of these applications indicated that GSOTA intended to use the capital outlay funds for statutorily authorized purpose, as documented in **Table 3** below:

Table 3

TYPES OF EXPENSES GSOTA INDICATED CAPITAL OUTLAY FUNDS WOULD BE USED FOR ¹	
FY	Description of expenditures to be paid for with Capital Outlay \$
2015	<ol style="list-style-type: none"> 1. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 2. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 3. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
2016	<ol style="list-style-type: none"> 1. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 2. Purchase of vehicles to transport students to and from the charter school. 3. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 4. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
2017	<ol style="list-style-type: none"> 1. Construction of school facilities. 2. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 3. Purchase of vehicles to transport students to and from the charter school. 4. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 5. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.

¹ Information is based on GSOTA's FDOE Capital Outlay Fund Applications for FY 2015, FY 2016 and FY 2017.

Table 4 below provides a summary of each of GSOTA's capital outlay funding applications submitted to the FDOE and the amount of capital outlay funds the charter school received for FY 2015, FY 2016 and FY 2017:

Table 4

SUMMARY OF GSOTA CAPITAL OUTLAY APPLICATIONS & FUNDING ²				
FY	Date Plan Submitted	Date Certified by District	Date Certified by FDOE	Capital Outlay Funds
2015	04/25/14	-	08/27/14	\$ 71,742
2016	07/01/15	08/03/15	08/31/15	39,516
2017	07/12/16	08/04/16	09/17/16	87,696 ³
			TOTAL	\$ 198,954

Actual Total Capital Outlay Funds Received per District Records

The OIG Auditor obtained a schedule of all monthly capital outlay payments from the District's Accounting Services Department and determined that GSOTA received a total of \$143,830 in capital outlay funding for FY 2015, FY2016 and FY 2017 as of November 1, 2016.

Table 5 below provides a detail breakdown of the capital outlay funds disbursed to GSOTA by the School District:

Table 5

FY	Capital Outlay Funds Issued to GSOTA
2015	\$ 71,742
2016	39,516
2017	32,572
TOTAL	\$ 143,830

² Source of information: FDOE's "Office of Independent Education & Parental Choice" website.

³ Per FDOE website, GSOTA's total estimated allocation for FY17 capital outlay funds is \$87,696 as of January 2017.

DRAFT**02-16-2017****Charter School Did Not Provide the District with Capital Outlay Plan with Proposed Capital Expenditures**

“GSOTA’s” *Charter Agreement*, dated May 18, 2011, addresses charter school capital outlay funds in *Section 4: Financial Accountability, (A) Revenue, (4) Charter School Capital Outlay Funds*. Specifically, the Charter Agreement states as follows:

“Application: The Charter School may be eligible for school capital outlay funding as per sections 1002.33(20), and 1013.62, F.S. Prior to release of capital outlay funds from the Sponsor to the Charter School, the Charter School must provide the Sponsor a capital outlay plan with proposed capital expenditures. If the charter school is non-renewed or terminated, any unencumbered funds and all equipment and property purchased with public funds shall revert to the ownership of the Sponsor as provided for in Section 1002.33 (8)(e), F.S.”

On December 16, 2016, the OIG inquired of the District Charter School Department as to whether the District had received capital outlay plans with proposed capital expenditures from the GSOTA charter school. We were informed that the Charter School Department does not maintain Charter School Capital Outlay Funding applications nor does the department have records from GSOTA for capital outlay plans or related expenditures.

Management Response:**4. Charter School Facilities are Leased from a Related Party**

On July 1, 2011, the Gardens School of Technology Arts, Inc. (GSOTA) charter school entered into a Florida Lease Agreement with Covenant Centre International, Inc. (CCI church) to lease space for GSOTA's charter school facility. The school is located within the confines of the CCI church property and therefore both entities share the same property address of 9153 Roan Lane; West Palm Beach, FL 33403.

The Lease Agreement spanned the 5 year period of July 1, 2011 through June 30, 2016, coinciding with the original GSOTA Charter Agreement's five-year term. For the first year of the lease of its school facility, GSOTA paid CCI church \$9,166.67 per month or \$110,000 for FY2012. For the remaining four years of the Lease Agreement, GSOTA was obligated to pay \$10,833.33 per month to CCI church for its school facilities. Thus, the total cost to lease GSOTA's charter school facilities from CCI church for the original 5-year Lease Agreement was \$629,999.

Business Relationships between CCI (Landlord) and GSOTA (Tenant)**A. Covenant Centre, Inc. – CCI (Landlord)**

The OIG reviewed CCI's online corporate filings with the Florida Secretary of State's Division of Corporations and noted the following: *{See Exhibit _____}*

1. The President of CCI is Norman D. Benz.
2. The Secretary of CCI is Kristopher (Erik) Benz.

B. Gardens School of Technology Arts, Inc. – GSOTA (Tenant)

A review of GSOTA's online corporate filings with the Florida Secretary of State's Division of Corporations revealed the following: *{See Exhibit _____}*

1. GSOTA was incorporated on August 3, 2009 by Kristopher (Erik) Benz.
2. Kristopher (Erik) Benz's home address is listed on the Articles of Incorporation for GSOTA. A review of the Palm Beach County Property Appraiser records shows that Kristopher (Erik) Benz and Jeanne K. Benz, as husband and wife, own the home with the same property address on the GSOTA Articles of Incorporation.
3. A review of GSOTA's *2017 Florida Not for Profit Corporation Annual Report* shows that Mrs. Jeanne K. Benz signed the annual report as the charter school's Director of Operations on January 9, 2017.

Familial Relationships between CCI (Landlord) and GSOTA (Tenant)

Based on inquiry and review of relevant information, the following familial relationships exist between Covenant Centre International Inc. (the Church) and the GSOTA charter school:

- CCI Church is pastored by Norman Benz and Judy Benz, husband and wife.
- Norman and Judy Benz are the father and mother Kristopher "Erik" Benz.
- Kristopher "Erik" Benz is married to Director of School Operations, Jeannie Benz.
- Kristopher Erik Benz is a member of the Governing Board of Covenant Centre International Inc. Church.

OIG Analysis of Lease Payments to CCI from GSOTA Charter School

For the period of July 1, 2011 through August 31, 2016, a total of \$701,793 was paid to CCI church by GSOTA for its school facility lease. **Table 6** below summarizes the OIG's analysis of the annual lease payments GSOTA paid to CCI church to rent the charter school's facilities located within the CCI church's premises.

Table 6

FY	PAYEE	TOTAL LEASE PAYMENTS	RELATED PARTY NAME	RELATIONSHIP TO GSOTA
2011- 2012	CCI Church	\$ 110,000.04	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2012- 2013	CCI Church	\$ 129,999.96	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2013- 2014	CCI Church	\$ 150,906.29	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2014- 2015	CCI Church	\$ 129,999.96	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2015- 2016	CCI Church	\$ 119,166.63	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
2016- 2017	CCI Church	\$ 61,720.00 ⁴	Norman Benz	<ul style="list-style-type: none"> • Father of K. Erik Benz • Father-in-Law to J. Benz
	TOTAL	\$701,792.88		

Violation of Florida Statute §112.313 (3) Doing Business with One's Agency

Florida Statute §112.313, Standards of conduct for public officers, employees of agencies, and local government attorneys defines a "public officer" as any person elected or appointed to hold office in any agency, including any person serving on an advisory body. *Florida Statute §112.313, (3), Doing Business with One's Agency*, states:

"No employee of an agency acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer's or employee's spouse or child is an officer, partner, director, or proprietor or in which

↓ Deleted from Final Report

⁴ On July 1, 2016, GSOTA issued two check payments to CCI church: \$21,910 and \$17,900. On August 1, 2016, GSOTA paid \$21,910 to CCI church. All 3 check payments had dual signatures from GSOTA Governing Board members.

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such officer or employee or the officer's or employee's spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer's or employee's own agency, if he or she is a state officer or employee, or to any political subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision."

Given the business and familial relationships that exist between the individuals who operate CCI and the GSOTA charter school, the school's facility lease with CCI is in violation of *Florida Statute §112.313 (3), "Doing Business with One's Agency."*

Management Response:

5. Use of Public Funds for Religious Purposes

Cross-Referenced to Exhibit 9.

In our review of the supporting documentation for GSOTA's 2012 financial transactions, the OIG found a document titled, "Covenant Centre International Contribution Summary 2012," and issued to GSOTA charter school by "Dr. Norman Benz, Lead Pastor." The Contribution Summary for 2012 itemization 27 payments totaling \$135,555, which CCI church received from the GSOTA charter school. *{See Exhibit _____ for copy of Contribution Summary.}*

Dr. Norman Benz, Lead Pastor, also wrote a note to GSOTA which states, in part, as follows:

"Below is the record of your giving for 2012. I am so thankful for your tithe and offering...This yearly statement reflects our record of your giving for 2012, broken down by category on page one and a listing of all gifts on the following page. Your contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings."

Based on review of relevant supporting documentation, the OIG traced each 'tithe and offering' listed on the contribution statement to GSOTA's accounting records and source documents. The OIG determined that the check payments which CCI church received from the charter school were the monthly lease payments and other expense payments CCI church (Landlord) received from GSOTA charter school (Tenant).

Additionally, the OIG reviewed the corresponding cancelled check payments and noted that "Jeanne Benz," GSOTA's Director of Operations for GSOTA and a member of CCI Church's leadership team, signed 11 of the 27 check payments issued to CCI church in calendar year 2012. *{See Exhibit _____ for cancelled check copies.}*

Table 7 below summarizes the 2012 monthly lease payments GSOTA recorded in its general ledger and the corresponding monthly "tithes" CCI received from GSOTA.

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TABLE 7

"RENT" ↓ "TITHES" ↓ to C.C.I. Church

NO.	CHECK DATE	CHECK #	PAYEE	INVOICE #	CHECK SIGNORS	GSOTA PMT AMOUNT	CCI 2012 SUMMARY STATEMENT
1	01/05/2012	10107	CCI Church	5012	R.S. Vanderkooi / Debra Moore	\$ 9,166.67	\$ 9,166.67
2	01/05/2012	10108	CCI Church	5013	R.S. Vanderkooi	910.00	910.00
3	02/01/2012	10129	CCI Church	5014	R.S. Vanderkooi / L.Thormodsgaard	9,166.67	9,166.67
4	02/01/2012	10138	CCI Church	5015	R.S. Vanderkooi / L.Thormodsgaard	1,140.00	1,140.00
5	03/01/2012	10161	CCI Church	5016	R.S. Vanderkooi	780.00	0.00
6	03/01/2012	10162	CCI Church	5017	R.S. Vanderkooi / L.Thormodsgaard	9,166.67	9,946.67
7	04/01/2012	10181	CCI Church	5018	R.S. Vanderkooi / L.Thormodsgaard	9,166.67	10,066.67
8	04/01/2012	10182	CCI Church	-	R.S. Vanderkooi	900.00	0.00
9	04/19/2012	10195	CCI Church		R.S. Vanderkooi / J. Benz	2,200.00	2,200.00
10	05/01/2012	10204	CCI Church	5020	R.S. Vanderkooi / J. Benz	9,166.67	10,066.67
11	05/01/2012	10205	CCI Church	5021	R.S. Vanderkooi	900.00	0.00
12	05/13/2012	-	-	-	-	0.00	700.00
13	06/01/2012	10223	CCI Church	5022	R.S. Vanderkooi / J. Benz	9,166.67	10,066.67
14	06/01/2012	10227	CCI Church	5023	R.S. Vanderkooi	900.00	0.00
15	07/01/2012	10276	CCI Church	5024	R.S. Vanderkooi / J. Benz	10,833.33	10,833.33
16	07/15/2012	10280	CCI Church	5025	Jeanne Benz	700.00	700.00
17	08/10/2012	10281	CCI Church	5028	R.S. Vanderkooi / J. Benz	1,100.00	1,100.00
18	09/01/2012	10317	CCI Church	5030	R.S. Vanderkooi / L.Thormodsgaard	10,833.33	10,833.33
19	09/04/2012	10323		5029	L.Thormodsgaard	937.50	937.50
20	10/01/2012	10350	CCI Church	5031	R.S. Vanderkooi / L.Thormodsgaard	10,833.33	10,833.33
21	10/01/2012	10351	CCI Church	-	R.S. Vanderkooi	1,050.00	1,050.00
22	11/01/2012	10385	CCI Church	5033	L.Thormodsgaard / J. Benz	10,833.33	10,833.33
23	11/11/2012	10394	CCI Church	-	R.S. Vanderkooi / J. Benz	1,050.00	1,050.00
24	12/01/2012	10401	CCI Church	5035	R.S. Vanderkooi / L.Thormodsgaard	10,833.33	10,833.33
25	12/06/2012	10402	CCI Church		R.S. Vanderkooi / J. Benz	1,237.50	1,237.50
26	01/01/2013	10419	CCI Church		R.S. Vanderkooi / J. Benz	1050.00	0.00
27	01/01/2013	10420	CCI Church		R.S. Vanderkooi / J. Benz	10,833.33	11,883.33
					TOTALS ⁵	\$134,855.00	\$ 135,555.00

⁵ There is a \$700 variance in the totals due to CCI church listing a \$700 payment received on 05/13/2012.

State of Florida Constitution Prohibits the Use of Public Funds for Religious Purposes

The Constitution of the State of Florida Article 1, "Declaration of Rights," Section 3. "Religious Freedom" states in part that,

"No revenue of the state or any political subdivision or agency thereof shall ever be taken from the public treasury directly or indirectly in aid of any church, sect, or religious denomination or in aid of any sectarian institution."

Given that the Contribution Summary for 2012 from CCI church was included in GSOTA's supporting documentation provided to the OIG, it appears that the charter school had knowledge that CCI church classified GSOTA's 2012 payments to CCI as charitable contributions. Moreover, the fact that Dr. Norman Benz's note to GSOTA stated that the "contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings..." constitutes a violation of Florida law which prohibits the use of public funds for religious purposes.

Management Response:

6. Analysis of GSOTA Payments to CCI Church Classified as "Other Expenses"

The OIG reviewed GSOTA's accounting records to determine the nature of expenditures categorized as "Other Expenses," which were paid to CCI church. Based on our review, the majority of "Other Expenditures" were for payments to CCI church for telephone utilities and janitorial services; school facility expansion; and charter school improvements such as repair of doors, construction of classroom walls, landscaping, etc. **Table 8** below summarizes the results of the OIG's analysis "Other Expenditures" paid to CCI church by GSOTA charter school.

TABLE 8

FY	PAYEE	EXPENSE TYPE	TOTAL AMOUNT
2012 - 2016	CCI Church	Telephone / janitorial	\$ 53,900.36
2015 - 2016	CCI Church	School facility expansion	51,945.80
2012 - 2015	CCI Church	School repairs / improvements	50,349.44
2015	CCI Church	School Banner & Play Bill Ad	497.50
2014 - 2016	CCI Church	<i>Unknown - missing invoices</i> ⁶	23,331.30
		TOTAL	\$ 180,024.40

⁶ The OIG could not find invoices for three payments to CCI church: \$14,350 on 06/05/2014; \$3,120 on 06/01/2015; and \$5,861.30 on 08/24/2016.

Missing Invoices

The OIG searched through all the supporting documents provided by GSOTA charter school and was unable to locate invoices for three (3) payments categorized as “Other Expenses” and paid to CCI church:

	<u>DATE</u>	<u>PAYMENT AMOUNT</u>	<u>CHECK NO.</u>
1.	06/05/2014	\$14,350.00	2149
2.	06/01/2015	\$3,120.00	11167
3.	08/24/2016	\$5,861.30	7269

The OIG requests for the GSOTA charter school to research its invoice files and to provide the OIG with supporting documentation which would substantiate the purpose of these three (3) payments, as related to charter school costs.

Management Response:**Violation of Lease Agreement for GSOTA Charter School Facility Lease – Utilities**

Article X, Utilities, of the Lease Agreement effective July 1, 2011 through June 30, 2016 states the following as it pertains to the Landlord’s responsibilities for utility costs:

“Landlord shall be responsible for and pay all the utility fees used by, and directly related to the Leased Premises such as water, sewer, gas, electricity, phone service, internet service and trash removal service while in possession of the same during the Term of this Lease unless otherwise expressly agreed in writing by Tenant.”

Based on the OIG review of GSOTA’s supporting documentation, we noted that CCI church issued a monthly statement to the charter school which invoiced GSOTA for telephone service, the cost of cleaning supplies and the associated labor for the charter school facilities. For FY 2012 through FY 2016, GSOTA paid CCI church a total of \$53,900 for these expenditures. Given the OIG was not provided with written documentation that the charter school agreed to pay CCI church for utility fees and trash removal, the OIG questions why GSOTA paid for these costs.

Management Response:

Total Costs of \$11,539 for Architect & Engineer Consultant Agreements passed through to GSOTA by CCI Church

The OIG reviewed a Proposal for Professional Services submitted by the engineering firm of “Simons & White, Inc.” (Consultant) to Covenant Centre International, Inc. (Client), which was dated April 9, 2015 and addressed to Erik Benz. The scope of services included site plan changes and engineering related issues for a drainage report with a total cost of \$700. The Proposal was accepted and signed by Erik Benz, as Director for Covenant Centre International on April 9, 2015. *{See Exhibit _____ for supporting documentation.}*

The OIG reviewed a second fee estimate submitted to Covenant Centre International, Inc. on April 14, 2015 from the landscape architect firm of “Cotleur & Hearing Landscape Company.” The fee estimate was emailed to Erik Benz by Cotleur & Hearing with an attached itemization of the services to be provided and the associated fees, which totaled \$10,838.58. Per the email from Cotleur & Hearing, CCI church was instructed to make its payment payable to “PBC BOCC” (i.e. the Palm Beach County Board of County Commissioners.) *{See Exhibit _____.}*

Based on review of GSOTA’s accounting records and supporting documentation, the OIG found Invoice 903 from CCI church to GSOTA dated April 14, 2015, which requested GSOTA to pay CCI church a total of \$11,538.58 for land development and engineering fees. **Table 9** below provides a detailed breakdown of CCI church’s Invoice 903 to the charter school. *{See Exhibit _____ for supporting documentation.}*

TABLE 9

Qty.	DESCRIPTION	UNIT PRICE
1	Land Development Application Fee for Fees associated with Application for Rezoning as per Palm Beach County Board of County Commissioners and Palm Beach County Building & Zoning <i>(Cotleur & Hearing)</i>	\$ 10,838.58
1	Engineering Fees for Drainage Report <i>(Simons & White)</i>	700.00
	TOTAL	\$ 11,538.58

DRAFT**02-16-2017**

A review of the fee estimate submitted to CCI church by "Cotleur & Hearing Landscape Company" shows that the entire 4 acre property owned by CCI church was included in the fee estimate and included the following structural square footage of CCI's buildings:

<u>AREA</u>	<u>SQUARE FOOTAGE (SF)</u>	<u>% of TOTAL</u>
1. Place of Worship	6,986 SF	20%
2. Daycare	1,302 SF	4%
3. Charter School	20,260 SF	56%
4. Accessory	7,052 SF	20%
TOTAL SQUARE FOOTAGE	35,600 SF	100%

The OIG questions the propriety of charging the charter school for the entire cost for CCI's building improvements when (a) GSOTA charter school is not the legal owner of the church property and (b) Florida law prohibits the use of public funds for religious purposes. As demonstrated in the OIG's analysis above, the charter school's footprint represents 56% of the total square footage of CCI church's facility. To avoid the use of taxpayer dollars for religious purposes, the cost of the building improvements should have been prorated between CCI church and GSOTA charter school based on the square footage leased for the school facility.

Management Response:



Cross-referenced to Exhibit 9.

7. GSOTA Charter School Conducted Business with Related Parties

Based on review of GSOTA's accounting records, supporting documentation, and GSOTA vendors' online corporate filings with the Florida Secretary of State's Division of Corporations, the OIG noted that the charter school conducted official school business with several related parties. **Table 10** below summarizes the OIG's analysis of the total amounts the GSOTA charter school paid to five (5) related parties for the period July 1, 2011 through August 31, 2016. *{See Exhibit _____ for supporting documentation.}*

TABLE 10

NO.	PAYEE	TOTAL PAYMENTS	RELATED PARTY NAME	RELATIONSHIP TO GSOTA
1	Green Mouse Academy	\$ 190,137.14	Kooi, Shane Vander	<ul style="list-style-type: none"> • Incorporator of GSOTA • Owner of Green Mouse Academy
2	Five K Financial, Inc.	91,095.09	Benz, Kristopher "Erik"	<ul style="list-style-type: none"> • Incorporator of GSOTA • Incorporator of "Five K" • Married to Jeanne K. Benz, who is a GSOTA employee – Director of Operations
3	The Children's Academy, Inc.	31,270.53	Benz, Judith C.	<ul style="list-style-type: none"> • Incorporator of "The Children's Academy" (2005) • Mother-in-law of Jeanne K. Benz, who is a GSOTA employee – Director of Operations • Jeanne Benz is the Vice President of "The Children's Academy"
4	Accellearn, LLC	12,255.68	Kooi, Shane Vander	<ul style="list-style-type: none"> • Incorporator of GSOTA • Owner / Manager of Accellearn, LLC
5	1 Stop Generator	2,537.80	Andio, Jon	<ul style="list-style-type: none"> • GSOTA Governing Board Member (2014 – Present)
	TOTAL RELATED PARTY PMTS	\$ 327,296.24		

Violation of Florida Statute §112.313 (3) Doing Business with One's Agency

Florida Statute §112.313, Standards of conduct for public officers, employees of agencies, and local government attorneys defines a "public officer" as any person elected or appointed to hold office in any agency, including any person serving on an advisory body. ***Florida Statute §112.313, (3), Doing Business with One's Agency***, states:

"No employee of an agency acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer's or employee's spouse or child is an officer, partner, director, or proprietor or in which such officer or employee or the officer's or employee's spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer's or employee's own agency, if he or she is a state officer or employee, or to any political subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision."

Given the business and familial relationships that exist between the GSOTA charter school and the vendors listed in **Table 10** above, these business transactions constitute violations of ***Florida Statute §112.313 (3), "Doing Business with One's Agency."***

Management Response:

8. Related Party Contract Provides Opportunity to Circumvent Internal Control Policies

The OIG reviewed an Agreement between the Gardens School of Technology Arts, Inc. – GSOTA and "Five K Financial, Inc." the company owned by Kristopher "Erik" Benz. The Agreement was for a one-year period of July 1, 2015 through June 30, 2016 and required GSOTA to pay "Five K Financial, Inc." (Consultant) a total of \$24,000 for providing "guidance and oversight" to GSOTA in the following areas: *{See Exhibit _____ for Agreement and Statement of Work for Consultant.}*

1. Monitor progress of the Five Year Plan for facility improvements and school expansion under the direction of the Board.
2. Guide the financial processes that will allow the school the resources needed to educate each student within the mission/vision of the school.

02-16-2017

3. "Five K" will execute tasks as outlined in the Five Year Plan under the guidance of the Facilities Committee.
4. "Five K" will ensure that the facilities are adequate for school growth and fits within the vision of the School Image as planned for in the Facilities Plan and service school facilities needs in accordance with the school' growth plan.
5. Oversee the utilization of capital outlay funds for facility improvements according to priority schedule determined by the Facilities Committee.
6. To work under the guidance of the Board Treasurer to ensure budget integrity.
7. To assist the CPA in financial oversight, coding, processing and budgeting.
8. To work with the CPA and Director of Operations (*i.e. Jeanne K. Benz, "Erik" Benz's wife, who is an employee of GSOTA*) to help coordinate and disseminate information and plan documentation around payroll benefit programs and internal incentive programs.

The OIG reviewed GSOTA's "*School's Accounting & Reporting Policies, Procedures & Practices,*" revised on November 17, 2014, and approved by GSOTA's Governing Board. Per the revised accounting policies, the charter school's Director of Operations, Jeanne K. Benz, is assigned the following financial oversight and authority:

1. Depositing daily cash receipts in the bank account.
2. Maintaining a petty cash fund imprest for \$200, including safeguarding the petty cash box.
3. Approval of all invoices received by the charter school.
4. Signing all checks greater than \$1,000, which requires dual signatures.
5. Approving all check requisition forms for purchases greater than \$500.
6. The Director of Operations and School Principal are the only authorized individuals with a debit card.

The OIG also reviewed the check signer forms for GSOTA's business bank account with J.P. Morgan Chase Bank, N.A. "Jeanne Kathleen Benz" was added as a check signer on GSOTA's bank accounts with Chase Bank on April 3, 2012.

Given that GSOTA's Director of Operations, Jeanne K. Benz, is married to Kristopher "Erik" Benz and who was awarded a consulting contract to provide fiscal oversight to the charter school through his company, "Five K Financial, Inc.," the charter school's system of internal controls is at risk for being circumvented. This is a direct result of GSOTA charter school awarded a consulting agreement to a related party, specifically Kristopher "Erik" Benz."

Management Response:

– End of Report –



Christina Seymour <christina.seymour@palmbeachschools.org>

Fwd: Message from "RNP0026733CA3E2"

3 messages

Angelette Green <angelette.green@palmbeachschools.org>
To: CHRISTINA SEYMOUR <christina.seymour@palmbeachschools.org>

Tue, Feb 21, 2017 at 4:20 PM

Hello Tina

Please see attached- your table of contents. As discussed, I dropped your report "as is" within the report. The financial review is Section 2. I renumbered your section so that it coincide with the rest of the report, please update your table of content when you get a chance. Also, if you would insert your exhibit numbers within your section-- please start with Exhibit # 16, #17 etc.... I will provide Liz with a copy of the entire report to review today. Also, a copy of the compiled report can be found on the s:/drive under Active Investigation Folder named "Draft Reports-- inside latest version.

Thanks again for your help.

Angelette

----- Forwarded message -----

From: <scanner@palmbeachschools.org>
Date: Tue, Feb 21, 2017 at 5:25 PM
Subject: Message from "RNP0026733CA3E2"
To: green <angelette.green@palmbeachschools.org>

This E-mail was sent from "RNP0026733CA3E2" (Aficio MP 5002).

Scan Date: 02.21.2017 17:25:27 (-0500)
Queries to: scanner@palmbeachschools.org

--
Angelette Green, MPA, PHR
Director of Investigations
Office of Inspector General
3138 Forest Hill Blvd., Suite C-306
West Palm Beach, FL 33406
561-434-8183

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71K



Christina Seymour <christina.seymour@palmbeachschools.org>
To: Angelette Green <angelette.green@palmbeachschools.org>
Cc: Lung Chiu <lung.chiu@palmbeachschools.org>, Elizabeth McBride <elizabeth.mcbride@palmbeachschools.org>

Wed, Feb 22, 2017 at 10:33 AM

Angelette,

I will drop off to you the copies of the cancelled checks that Jeanne Benz co-signed for payments GSOTA issued to "Children's Academy." That was the only "open" item on the email you sent me yesterday re: cancelled check payments to related parties. You should have the "Five K Financial, Inc." cancelled check copies already, as I handed them to you late Thursday evening. Please advise if you need the "Five K Financial" cancelled check copies and I will make you another set.

Also, I will update the final version of this case report that you placed on the "S" drive and number the Exhibits that I have set aside. I need to paginate / label my portion of this report's Exhibits today, as I was waiting to do this once the 'final' draft was completed.

Thank you.

Tina

[Quoted text hidden]

--

Christina "Tina" Seymour, CPA, MBA

Audit Supervisor, Office of Inspector General
School District of Palm Beach County
3300 Forest Hill Boulevard
West Palm Beach, FL 33406
(561) 432-6361 (office line) / PX# 86361
(561) 434-8652 (fax line)
christina.seymour@palmbeachschools.org

Christina Seymour <christina.seymour@palmbeachschools.org>
To: ttopley <ttopley@aol.com>


Tue, Mar 28, 2017 at 6:50 AM

[Quoted text hidden]

--

Christina "Tina" Seymour, CPA, MBA

Audit Supervisor, Office of Inspector General
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02/21/2017

Time
Please update
Numbering

Special Review of
Gardens School of Technology Arts, Inc. - GSOTA
Case 16-474

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etc.
The compiled report is on S drive under Active Inv. Folder Draft Reports latest version

Liz is reviewing Angelette



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA

OFFICE OF INSPECTOR GENERAL
3318 FOREST HILL BLVD., C-306.
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LUNG CHIU, CIG, CPA
INSPECTOR GENERAL

SCHOOL BOARD
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KAREN M. BRILL
BARBARA McQUINN
ERICA WHITFIELD

ROBERT M. AVOSSA, Ed.D., SUPERINTENDENT

March 3, 2017

Debra K. Moore, Board Chair
Gardens School of Technology Arts
9153 Roan Lane
Palm Beach Gardens, FL 33403

Dr. Kevin Kovacs, Principal
Gardens School of Technology Arts
9153 Roan Lane
Palm Beach Gardens, FL 33403

Re: Office of Inspector General Case # 16-474
Gardens School of Technology Arts, Inc.

Dear Ms. Moore:

As the result of a complaint received in this Office, we have conducted an investigation and audit as summarized in the attached draft report. In accordance with *School Board Policy 1.092*, this letter is to provide you with twenty (20) working days to submit a written response to the draft report.

The twenty (20) working day time period commences upon your receipt of this letter. Please note that ten (10) of the 20 days satisfies any requirements, if applicable, under *Section 1012.31, Florida Statutes*.

After this Office receives and reviews your response, a final report will be completed and published as required by *School Board Policy 1.092*. The final report, along with your response, is considered a public record and available for inspection, in accordance with Florida law and School Board policies.

In addition to your written response, you may meet or otherwise communicate with this Office to discuss any of the issues raised in the draft report. Should you desire to arrange a meeting, or have any questions, you may contact our Director of Investigations, Angelette Green at 561-434-8183.

Sincerely,


Lung Chiu
Inspector General

cc: Garry W. O'Donnell, Counsel for Gardens School of Technology Arts, Inc.

The School District of Palm Beach County, Florida
A Top-Rated District by the Florida Department of Education Since 2005
An Equal Education Opportunity Provider and Employer



Office of Inspector General
The School District of Palm Beach County

Case No. 16-474

Gardens School of Technology Arts

PRELIMINARY INVESTIGATIVE REPORT - DRAFT

AUTHORITY

School Board Policy 1.092, Inspector General (4)(a)(iv) provides for the Inspector General to receive and consider complaints, and conduct, supervise, or coordinate such inquiries, investigations, or reviews as the Inspector General deems appropriate. The *May 18, 2011 Charter School Contract* between Gardens School of Technology Arts (GSOTA) and the Palm Beach School Board further provides for the Inspector General to conduct investigations and audits related to Gardens School of Technology Arts.

This investigation was conducted by Director of Investigations Angelette Green in compliance with the *Quality Standards for Investigations, Principles and Standards for Offices of Inspector General*, promulgated by the Association of Inspectors General. School District Auditor Supervisor Christina Seymour, CPA, performed a review of specific areas related to financial accountability.

DOCUMENTS REVIEWED

As part of this investigation, the OIG reviewed

1. Section 218.503, Fla. Stat. (*Determination of Financial Emergency*)
2. Section 286.23, Fla. Stat. (*Real property conveyed to public agency; disclosure of beneficial interests; notice; exemptions*)
3. Section 1002.345, Fla. Stat. (*Determination of Deteriorating Financial Conditions*)
4. Section 1002.33, Fla. Stat. (*Charter Schools*)
5. Section 1002.331, Fla. Stat. (*High-performing Charter Schools*)
6. Section 1002.332, Fla. Stat. (*High-performing Charter Schools systems*)
7. Section 1013.62(3), Fla. Stat. (*Authorized Purposes for the Use of Charter School Capital Outlay Funds*)
8. Section 112.3135 *Restriction of employment of relatives*
9. State Board of Education Rule, Rule 6A-1.0081, F.A.C. (*Financial Statements and Financial Conditions*)

10. State Board of Education Rule, Rule 6A-6.0784, F.A.C. (Approval of Charter School Governance Training)
11. Charter School Contract between Gardens School of Technology Arts, Inc. and the Palm Beach School Board (Term July 1, 2011 thru June 30, 2016).
12. Lease Agreement between Gardens School of Technology Arts, Inc. (Tenant) and the Covenant Centre International, Inc. (Landlord) for the period of July 1, 2011 thru June 30, 2016. (5 years-executed on July 1, 2011)
13. Lease Agreement between Gardens School of Technology Arts (Tenant) and the Covenant Centre International, Inc. (Landlord) for the period of July 1, 2016 thru June 30, 2031. (15 years- executed on April 27, 2016)
14. Financial Documents of Gardens School of Technology Arts for the period of July 1, 2011 to August 31, 2016, as follows:
 - a. FY Budgets for the stated time frame
 - b. Detailed general ledgers
 - c. Payroll Registers
 - d. Monthly Financial Statements
15. Reviewed Fiscal Years 2011-2015 Full-time Equivalent (FTE) reporting.
16. Reviewed contracts and agreements executed by Gardens School of Technology Arts and various vendors
17. Florida Dept. of Education Choice Options (TAP No: 2009-03) Funding and Financial Management of Florida's Public Charter Schools
18. Florida Dept. of Education (TAP No: 2013-97) Related to the Background Screening Requirements of Noninstructional Contractors

Relevant School Board Policies

19. School Board Policy 1.092, *Inspector General*
20. School Board Policy 2.57, *Charter Schools*
21. School Board Policy 2.21, *School Request of Payment from Students*

Other Documents

22. GSOTA On-line Payments- Student Fees

23. Memorandum dated July 1, 2016 from FDOE related to the Distribution of Charter School Capital Outlay Funds Fiscal Year 2016-17

BACKGROUND

The current contract between Gardens School of Technology Arts and the Palm Beach School Board covers a five year term from July 1, 2011 thru June 30, 2016. The contract was amended initially for contract renewal negotiations, and subsequently extended to March 31, 2017, for completion of this investigation.

Charter Schools

Section 1002.33, Florida Statutes, delineates the School District's responsibilities as a sponsoring district to monitor and oversee its charter schools. Charter schools are part of the State's program of public education. The sponsoring school board is charged with certain responsibilities including fiscal oversight and monitoring the school's revenues and expenditures. Like traditional public schools, charters schools are funded with local, state and federal tax dollars. The funding is largely derived from the Florida Education Finance Program (FEFP) in which the magnitude of funding is determined by weighted full time equivalent (FTE) / enrollment in the school during date-certain survey periods in October and February. Those public funds to operate the charter school are distributed to the school throughout the school year by the sponsoring school district. Charter schools in Florida are required to be organized as, or be operated by, a nonprofit organization. The schools typically have a tax exempt status under *Section 501(c)3 of the Internal Revenue Code* and their facilities are exempt from ad valorem taxes pursuant to *Section 196.1983, Florida Statutes*.

The School

On January 13, 2010, the Palm Beach County School Board approved the charter school application submitted by Gardens School of Technology, Inc. on behalf of Gardens School of Technology Arts. On May 18, 2011, the School Board approved the five (5) year Charter for Gardens School of Technology Arts (GSOTA). The Charter became effective upon the signing by both parties, and covered a term of five (5) years commencing July 1, 2011 and ending June 30, 2016.

Based on information found within the Charter contract between the Palm Beach School Board and GSOTA, the initial members of the Charter School Governing Board were identified as: Debra K. Moore, President; Joshua M. Wiggins, Treasurer; Kristopher E. Benz, Secretary; Melissa Stonecipher, Director; and R. Shane Vander Kooi, Director.

Based on documents with the Florida Department of State, Gardens School of Technology Arts, Inc. was founded and incorporated by Kristopher E. Benz and R. Shane Vander Kooi on August 3, 2009.

Information found on the website of Gardens School of Technology Arts states the school profile will: *“offer an innovative academic environment coupled with the stability of a sound core curriculum program, Gardens SOTA operates with a mission to provide innovative tools in a cooperative learning setting that fosters creativity and problem solving throughout the school day”.*

GARDENS SCHOOL OF TECHNOLOGY ARTS	
Type	Not for Profit Corporation
Location	9153 Roan Lane Palm Beach Gardens, FL 33403
Serving Grades	K - 8
Incorporated in 2009	Shane Vander Kooi Kristopher (Erik) Benz
Registered Agent	Terrence N. Freeman II

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Based upon information provided by GSOTA the Principals/Administrators of record for the school have been as follows:

School Year (SY)	Position	Name
Current	Director of Academics (Principal)	Kevin Kovacs
Current	Director of Operations	Jeanne Benz
2015-16	Director of Academics (Principal)	Kevin Kovacs
2015-16	Director of Operations	Jeanne Benz
2014-15	Director of Academics (Principal)	Kevin Kovacs
2014-15	Director of Operations	Jeanne Benz
2013-14	Director of Academics (Principal)	Kevin Kovacs
2013-14	Director of Operations	Shane Vander Kooi
2012-13	Director of Academics (Principal)	Lana Thormodsgaard
2012-13	Director of Operations	Shane Vander Kooi
2011-12	Director of Academics (Principal)	Lana Thormodsgaard
2011-12	Director of Operations	Shane Vander Kooi

Based upon information provided by GSOTA the school's Governing Board members have been as follows:

Name	Position	Term
Lori Alfrey	Member	2012 - 2014
Jon Andio *	Member	2014 - present
Lisa Cole	Secretary	2011 - present
Dave Culp	Member	2016 (2 months)
Christine Farley	Member	2014 - present
Gerald Hoening	Treasurer	2014 - present
David Menkhaus	Treasurer	2011 - 2014
Carla Moore	Member	2014 (4 months)
Debra Moore	Chair	2011 - present
Dave Reyes	Vice Chair	2011 - present
Misi Stonecipher	Member	2011 - 2012
Joshua Wiggins ¹		

* Approved as a member by GSOTA Governing Board on July 21, 2014

¹ Joshua Wiggins was listed as a GSOTA Board Member on the initial contract, but resigned prior to the opening of the school.

School Location

GSOTA is physically located on the site of Covenant Centre International Inc. Church (CCI) located at 9153 Roan Lane Palm Beach Gardens, Florida. GSOTA is currently leasing rental space from Covenant Centre International Inc. Church. Information obtained from the Covenant Centre International, Inc. Church website indicates:

COVENANT CENTRE INTERNATIONAL, INC	
Location	9153 Roan Lane Palm Beach Gardens, FL 33403
Founded By	Norman Benz Robert Varnadore
Founding Year	1991
Pastors	Norman Benz Judy Benz Robert Varnadore - Founding Pastor Pam Varnadore - Founding Pastor Kristopher "Erik" Benz - Executive Pastor Jeanne Benz - Covenant Worship Team

THE COMPLAINT

On August 9, 2016, the Office of Inspector General (OIG) attended a meeting with Palm Beach School District Charter School Director James Pegg and Palm Beach School District Assistant General Counsel A. Denise Sagerholm regarding GSOTA. Director Pegg and Attorney Sagerholm stated the District was currently renegotiating the renewal charter contract with GSOTA and while doing so discovered GSOTA may have violated the terms of the current contract with the District. Attorney Sagerholm went on to state that GSOTA has entered into a fifteen (15) year rental lease agreement with its current landlord, Covenant Centre International, Inc. church. Attorney Sagerholm stated GSOTA did not inform the District they were entering into a fifteen (15) year rental lease agreement with the church and that the rental lease agreement between the landlord and GSOTA should have been for five (5) years as stipulated in GSOTA's current contract with the District.

Section 5: Facilities, subsection B) Compliance with Building and Zoning/Requirements, paragraph 5) Leased facilities, page 44, of the Charter School Contract between The School Board of Palm

Beach County, Florida and GSOTA states, *"If the School operates in leased facilities, the lease shall be for the term of this Contract, or in lieu thereof, the School shall present a lease with a plan to ensure a facility for the duration of the Contract. The lease shall be signed by a properly authorized member of the governing board, or its designee, as documented in corresponding official governing board meetings minutes". See Exhibit 1.*

The current contract between GSOTA and the District covers a five year term July 1, 2011 thru June 30, 2016.

Attorney Sagerholm also stated that in conducting public research it appears there may be some questionable business/management relationships between the Church (Covenant Centre International Inc.) and GSOTA. Attorney Sagerholm stated the Church is pastored by Norman and Judy Benz and that Norman and Judy Benz is the mother and father of Kristopher Erik Benz who is married to Director of School Operations Jeannie Benz. Attorney Sagerholm further stated Khristopher Erik Benz along with Shane R. Vander Kooi are the original incorporators of Gardens School of Technology Arts, Inc. and that Kristopher Erik Benz currently sits on the Governing Board of the Church (Covenant Centre International Inc.) and that at one point Shane R. Vander Kooi sat on the Governing Board of GSOTA. Attorney Sagerholm stated that in Kristopher Erik Benz employment capacity at the school, he is at some point possibly supervised and or given directions by his wife Jeanne Benz, who is the school's Director of Operations.

Attorney Sagerholm stated that there may be a conflict of interest as Kristopher Erik Benz has his own for profit Finance Company and he is currently working for GSOTA. Attorney Sagerholm stated Jeanne Benz, also has a company, "The Children's Academy" with her mother-in-law Judy Benz that conducted business with GSOTA.

Director Pegg stated he learned the school is currently undergoing a school expansion, adding additional classrooms onto the church. Director Pegg stated he was concerned because GSOTA did not inform the District the school was adding additional facilities to the church property. Director Pegg stated he also had concerns as to how and who was funding the school's expansion, the church or the school. Director Pegg and Attorney Sagerholm expressed concerns about Capital Outlay dollars being utilized for the expansion because the Church would be the property owner of the buildings and not the School.

Director Pegg and Attorney Sagerholm both expressed concerns about the new rental lease agreement between GSOTA and the Church as the monthly rental payments from GSOTA to the Church had increased significantly over the fifteen (15) year rental lease agreement.

Attorney Sagerholm stated according to GSOTA's website, the School was charging students fees for being late, volunteer hours, technology payment and registration fees to hold a spot for before and after care.

Director Pegg and Attorney Sagerholm requested the Office of Inspector General to conduct an investigation.

The OIG reviewed records and documentation for the period of July 1, 2011 through August 31, 2016.

The OIG investigation included a review of the following areas:

1. Academic Accountability
2. Financial Accountability
3. Governance Accountability

As part of this investigation, the OIG also examined the following:

4. Lease(s) Analysis Comparison
5. Did GSOTA violate the terms of the current contract with the District when it entered into a fifteen (15) year rental lease agreement with its current landlord?
6. Relationships between the Church (Covenant Centre International Inc.) and Gardens School of Technology Inc. (Hiring of Relatives)
7. Business Relationships between GSOTA and Professional Service Providers
8. School expansion.
9. Fees GSOTA are charging students.

The Church (Landlord)

Covenant Centre International Inc. is a church located at 9153 Roan Lane Palm Beach Gardens, Florida. Covenant Centre International Inc. is a Florida Not-For-Profit Corporation incorporated by Norman D. Benz and Robert Varnadore in 1992. According to information found at the Florida Department of State Division of Corporations, as of October 25, 2016 the listed officers and directors are: Norman Benz, President; Robert Varnadore, Vice President; Lee Cocuzza, Treasurer; Kristopher Benz, Secretary; and Floyd McKenzie, Officer. For a sample of historical filings of Covenant Centre International Inc. see below.

	2009	2010	2011	2012
Registered Agent	Norman Benz	Norman Benz	Norman Benz	Norman Benz
Officers	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer John Baudhuin, Secretary	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer William Fries, Secretary	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer William Fries, Secretary	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer <i>Kristopher E. Benz, Secretary</i>
Signed By	Norman Benz	Norman Benz	Norman Benz	Norman Benz

	2013	2014	2015	2016
Registered Agent	Norman Benz	Norman Benz	Norman Benz	Norman Benz
Officers	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer & Secretary	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer & Secretary	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer <i>Kristopher Benz, Secretary</i> Floyd McKenzie, Officer	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer <i>Kristopher Benz, Secretary</i> Floyd McKenzie, Officer
Signed By	Norman Benz	Norman Benz	Norman Benz	Norman Benz

Source: Florida Department of State-Division of Corporations

1. ACADEMIC ACCOUNTABILITY REVIEW

The school grades reported under the State of Florida's academic accountability system since July 1, 2011 have been as follows:

School Year	Grade
2011-12	C
2012-13	C
2013-14	C
2014-15	A
2015-16	C

Findings: GSOTA's school grades have been consistent, since inception.

The school's student enrollment since July 1, 2011 have been as follows:

SY 2015-16		SY 2014-15		SY 2013-14		SY 2012-13		SY 2011-12	
Oct-15	Feb-16	Oct-14	Feb-15	Oct-13	Feb-14	Oct-12	Feb-13	Oct-11	Feb-12
273	266	224	236	218	229	171	171	136	131

Source: GSOTA Based on FTE Schedule (Survey 2 & 3)

Findings: Student Enrollment has increased steadily since inception.

2. FINANCIAL ACCOUNTIBILITY REVIEW

School District Auditor Supervisor Christina Seymour, CPA, was asked to performed a review of the below specific areas related to financial accountability.

- Did GSOTA experience any financial emergencies as stipulated in Florida Statute 218.503?
- Reporting of Student Full Time Equivalent (FTE) Count and Revenue Verification
- Capital Outlay Funds
- Expenses related to the Lease Agreement
- Financial review of related party transactions for contracted Professional Services Providers

The scope of the OIG's financial review covered the time period of July 1, 2011 through August 31, 2016.

FINDINGS & CONCLUSIONS

2A. Did GSOTA experience any financial emergencies as stipulated in Florida Statute 218.503?

Financial Emergency. Per *Florida Statute §218.503(1)*, a financial emergency exists when any one of the following conditions occurs in a charter school's financial operations:

1. Failure within the same fiscal year, in which due, to pay short-term loans or failure to make bond debt service or other long-term debt payments when due, as a result of a lack of funds.
2. Failure to pay uncontested claims from creditors within 90 days after the claim is presented, as a result of a lack of funds.
3. Failure to transfer at the appropriate time, due to lack of funds:
 - a. Taxes withheld on the income of employees; or

- b. Employer and employee contributions for:
 - i) Federal social security; or
 - ii) Any pension, retirement, or benefit plan of an employee.
- 4. Failure for one pay period to pay, due to lack of funds:
 - a. Wages and salaries owed to employees; or
 - b. Retirement benefits owed to former employees.

Based on the OIG's review of GSOTA charter school's independent CPA's annual financial statement audit reports for FY 2012 through FY 2016, GSOTA did not meet any of the conditions described in *Florida Statute §218.503(1), Financial Emergency*.

No exceptions noted.

2B. Reporting of Student Full Time Equivalent (FTE) Count and Revenue Verification

FEFP Funding & FTE Mid-Year Counts

GSOTA's *Charter Contract*, specifically *Section 4.A.1.a "Financial Accountability,"* provides that the primary basis for funding for the charter school's operations is its proportionate share of funds from the "*Florida Education Funding Program – FEFP.*" At the start of a charter school's operations, Full Time Equivalent (FTE) is based on the charter school's projected student enrollment. Once the school year begins, FTE is revised based on actual counts of student enrollment and attendance during an eleven (11) day, Florida Department of Education (FDOE) specified, FTE survey period taken in October and February of each school year.

Additionally, charter schools are required to report its student enrollment to its Sponsor, (i.e., the District) in accordance with the policies and procedures specified in *Florida Statute §1011.60, "Minimum requirements of the Florida Education Finance Program - FEFP."* For example, the charter school is required to use the District's electronic data processing system and procedures for the processing of student enrollment, attendance, FTE collection, etc.

The provisions of *Florida Statutes §1011.62, "Funds for operation of schools,"* requires the District to report the number of full-time equivalent (FTE) students and related data to the FDOE for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods, as previously stated above.

FEFP Funding Received by GSOTA

For FY2011 - 12 through FY2015 -16, the OIG reviewed the amount of FEFP funds the School District paid to GSOTA based on the charter school's student count. **Table 1** below summarizes the total FEFP funds the GSOTA charter school received for the period reviewed.

Table 1

FEFP PAYMENTS ISSUED TO GSOTA		
YEAR #	FISCAL PERIOD	TOTAL PAID
1	FY 2011 -12	\$ 745,547.00
2	FY 2012 -13	1,013,891.00
3	FY 2013 -14	1,387,738.00
4	FY 2014 -15	1,458,219.27
5	FY 2015 -16	\$ 1,737,663.11

Accuracy of FTE Counts for GSOTA

For School Year (SY) 2011 - 12 through SY 2015 -16, the OIG verified the accuracy of the mid-year student attendance counts by comparing the FTE counts provided to the OIG by GSOTA to the "Enrollment Summary" records in the District's TERMS database. Our objective was to verify that GSOTA did not over-report FTE student attendance counts and ensure GSOTA's FTE revenues were computed correctly.

Table 2 below summarizes the FTE counts for students attending GSOTA charter school for the SY 2011 -12 through SY 2015 - 16 as noted in the District's TERMS database:

Table 2

GSOTA FTE STUDENT COUNTS		
FISCAL YEAR	OCTOBER MID-YEAR COUNT	FEBRUARY MID-YEAR COUNT
2011 - 2012	136	131
2012 - 2013	178	178
2013 - 2014	234	229
2014 - 2015	234	236
2015 - 2016	273	266

Based on inquiry of Distract staff and review of GSOTA's enrollment count records in TERMS, GSOTA's FTE was accurately reported for the FY 2012 through FY 2016.

No exceptions noted.

2C. Capital Outlay Funds Received by GSOTA Charter School

Charter School Capital Outlay funds are annually allocated to eligible charter schools by the Florida Commissioner of Education. The funding received under this program are based on the School's actual and projected student enrollment during the fiscal year.

Each year the Florida Department of Education (FDOE) releases an online application, which eligible charter schools must complete and submit to FDOE. The charter school's sponsor is required to review the application and provide a recommendation to the FDOE Department. The Commissioner of Education makes the final eligibility determination for a given charter school.

Florida Statute §1013.62, "Charter Schools Capital Outlay Funding," governs the appropriation and use of capital outlay funding for those charter schools which meet the eligibility criteria set forth in the Florida Statutes. This statute establishes the criteria a charter school is required to meet in order to be eligible to receive capital outlay funds. The School must:

1. Have been in operation for 2 or more years.
2. Be governed by a governing board established in the state for 3 or more years, which operates both charter schools and conversion charter schools within the state.
3. Be an expanded feeder chain of a charter school within the same school district that is currently receiving charter school capital outlay funds.
4. Have been accredited by the Commission on Schools of the Southern Association of Colleges and Schools.
5. Have an annual audit that does not reveal any of the financial emergency conditions provided in s. 218.503(1) for the most recent fiscal year for which such audit results are available.
6. Have satisfactory student achievement based on state accountability standards applicable to the charter school.
7. Have received final approval from its Sponsor pursuant to *Florida Statute 1002.33, Charter Schools*, for operation during that fiscal year.
8. Serve students in facilities that are not provided by the charter school's sponsor.

Florida Statute §1013.62(a) states a charter school's governing body may use charter school capital outlay funds for the following purposes:

1. Purchase of real property.
2. Construction of school facilities.
3. Purchase, lease-purchase, or lease of permanent or relocatable school facilities.
4. Purchase of vehicles to transport students to and from the charter school.
5. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer.
6. Effective July 1, 2008, purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support school-wide administration or state-mandated reporting requirements.
7. Payment of the cost of premiums for property and casualty insurance necessary to insure the school facilities.
8. Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

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We reviewed the FDOE's Office of Independent Education & Parental Choice website and verified that the charter school, "Gardens School of Technology Arts, Inc. – GSOTA," submitted "Charter School Capital Outlay" applications for three (3) consecutive years to the FDOE. A review of these applications indicated that GSOTA intended to use the capital outlay funds for statutorily authorized purpose, as documented in Table 3 below:

Table 3

TYPES OF EXPENSES GSOTA INDICATED	
CAPITAL OUTLAY FUNDS WOULD BE USED FOR ²	
FY	Description of expenditures to be paid for with Capital Outlay \$
2014	<ol style="list-style-type: none"> 1. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 2. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 3. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
2015	<ol style="list-style-type: none"> 1. Construction of school facilities 2. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 3. Purchase of vehicles to transport students to and from the charter school. 4. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 5. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
2016	<ol style="list-style-type: none"> 1. Construction of school facilities. 2. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 3. Purchase of vehicles to transport students to and from the charter school. 4. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 6. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.

² Information is based on GSOTA's FDOE Capital Outlay Fund Applications for FY 2014, FY 2015 and FY 2016.

Table 4 below provides a summary of each of GSOTA's capital outlay funding applications submitted to the FDOE and the amount of capital outlay funds the charter school received for FY 2014-2015, FY 2015-2016 and FY 2016-2017:

Table 4

SUMMARY OF GSOTA CAPITAL OUTLAY APPLICATIONS & FUNDING AS APPROVED BY FDOE ³				
FY	Date Plan Submitted	Date Certified by District	Date Certified by FDOE	Capital Outlay Funds
2014-2015	04/25/14	-	08/27/14	\$ 71,742
2015-2016	07/01/15	08/03/15*	08/31/15	39,516
2016-2017	07/12/16	08/04/16*	09/17/16	87,983 ⁴
			TOTAL	\$ 199,241

* The 2015 and 2016 Capital Outlay Plans were Certified by school district charter school principal Ariel Alejo. The 2014 Capital Outlay Plan was acknowledged by school district representative Miriam Williams.

Actual Total Capital Outlay Funds Received per District Records

OIG obtained a schedule of all monthly capital outlay payments from the District's Accounting Services Department and determined that GSOTA received a total of \$143,830 in capital outlay funding for FY 2014-2015, FY 2015-2016 and FY 2016-2017 as of November 1, 2016.

³ Source of information: FDOE's "Office of Independent Education & Parental Choice" website.

⁴ Source of Information: FDOE 2016-17 Charter School Capital Outlay Disbursements. Per FDOE website, GSOTA's total estimated allocation for FY17 capital outlay funds is \$87,983 as of February, 2017.

Table 5 below provides a detail breakdown of the capital outlay funds disbursed to GSOTA by the School District:

Table 5

FY	Capital Outlay Funds Issued to GSOTA By the District
2015	\$ 71,742
2016	39,516
2017	32,572 ⁵
TOTAL	\$ 143,830

GSOTA's *Charter Contract*, dated May 18, 2011, addresses charter school capital outlay funds in *Section 4: Financial Accountability, (A) Revenue, (4) Charter School Capital Outlay Funds*. Specifically, the Charter Agreement states as follows:

"Application: The Charter School may be eligible for school capital outlay funding as per sections 1002.33(20), and 1013.62, F.S. Prior to release of capital outlay funds from the Sponsor to the Charter School, the Charter School must provide the Sponsor a capital outlay plan with proposed capital expenditures. If the charter school is non-renewed or terminated, any unencumbered funds and all equipment and property purchased with public funds shall revert to the ownership of the Sponsor as provided for in Section 1002.33(8)(e), F.S."

On December 16, 2016, the OIG inquired of the District Charter School Department as to whether the District had received capital outlay plans with proposed capital expenditures from the GSOTA charter school. We were informed that the Charter School Department does not maintain Charter School Capital Outlay Funding applications nor does the department have records from GSOTA for capital outlay plans or related expenditures.

2D. Expenses related to the Lease Agreement

On July 1, 2011, GSOTA entered into a Lease Agreement with CCI to lease space for GSOTA's charter school facility. The school is located within the confines of the CCI church property

⁵ As of January 2017

and therefore both entities share the same property address of 9153 Roan Lane, West Palm Beach, FL 33403.

The Lease Agreement spanned the 5 year period of July 1, 2011 through June 30, 2016, coinciding with the original GSOTA Charter Agreement's five-year term. The agreement reflects a tier payment system to CCI church for its school facilities where the first year monthly payments totaled \$9,166.67, totaling \$110,000 annually. The remaining four years, monthly payments totaled \$10,833.33, totaling \$129,999.96 annually (\$519,999.84 over 4 years). Thus, the total cost to lease GSOTA's charter school facilities from CCI church for the original 5-year Lease Agreement was \$629,999.

OIG Analysis of Lease Payments to CCI from GSOTA Charter School

For the period of July 1, 2011 through August 31, 2016, a total of \$701,793 was paid to CCI church by GSOTA for its school facility lease. Table 6 below summarizes the OIG's analysis of the annual lease payments GSOTA paid to CCI church to rent the charter school's facilities located within the CCI church's premises.

Table 6

FISCAL YEAR	PAYEE	TOTAL LEASE PAYMENTS
2011 – 2012	CCI Church	110,000.04
2012 – 2013	CCI Church	129,999.96
2013 – 2014	CCI Church	150,906.29 over by (20,000.04)
2014 – 2015	CCI Church	129,999.96
2015 – 2016	CCI Church	119,166.63 under by (10,833.33)
2016 – 2017	CCI Church	61,720.00 ⁶
TOTAL		\$701,792.88

Additionally, the OIG reviewed the corresponding cancelled check payments and noted that "Jeanne Benz," Director of Operations for GSOTA and a member of CCI Church's leadership team, signed 11 of the 27 check payments issued to CCI Church in calendar year 2012. See Exhibit 1A.

Analysis of GSOTA Payments to CCI Church Classified as "Other Expenses"

The OIG reviewed GSOTA's accounting records to determine the nature of expenditures categorized as "Other Expenses," which were paid to CCI church. Based on our review, the majority of "Other Expenditures" were for payments to CCI church for telephone utilities and

⁶ On July 1, 2016, GSOTA issued two check payments to CCI Church: \$21,910 and \$17,900. On August 1, 2016, GSOTA paid \$21,910 CCI Church. All three check payments had dual signatures from GSOTA Governing Board members.

janitorial services; school facility expansion; and charter school improvements such as repair of doors, construction of classroom walls, landscaping, etc. **Table 8** below summarizes the results of the OIG's analysis "Other Expenditures" paid to CCI church by GSOTA charter school.

TABLE 8

FY	PAYEE	EXPENSE TYPE	TOTAL AMOUNT
2012 - 2016	CCI Church	Telephone / janitorial	\$ 53,900.36
2015 - 2016	CCI Church	School facility expansion	51,945.80
2012 - 2015	CCI Church	School repairs / improvements	50,349.44
2015	CCI Church	School Banner & Play Bill Ad	497.50
2014 - 2016	CCI Church	<i>Unknown - missing invoices</i> ⁷	23,331.30
		TOTAL	\$ 180,024.40

Missing Invoices

The OIG searched through all the supporting documents provided by GSOTA charter school and was unable to locate invoices for three (3) payments categorized as "Other Expenses" and paid to CCI church:

	<u>DATE</u>	<u>PAYMENT AMOUNT</u>	<u>CHECK NO.</u>
1.	06/05/2014	\$14,350.00	2149
2.	06/01/2015	\$3,120.00	11167
3.	08/24/2016	\$5,861.30	7269

Findings: Violation of Lease Agreement for GSOTA Charter School Facility Lease – Utilities

Article X, Utilities, of the Lease Agreement effective July 1, 2011 through June 30, 2016 states the following as it pertains to the Landlord's responsibilities for utility costs:

"Landlord shall be responsible for and pay all the utility fees used by, and directly related to the Leased Premises such as water, sewer, gas, electricity, phone service, internet service and trash removal service while in possession of the same during the Term of this Lease unless otherwise expressly agreed in writing by Tenant."

Based on the OIG review of GSOTA's supporting documentation, we noted that CCI church issued a monthly statement to the charter school which invoiced GSOTA for telephone service,

⁷ The OIG could not find invoices for three payments to CCI church: \$14,350 on 06/05/2014; \$3,120 on 06/01/2015; and \$5,861.30 on 08/24/2016.

the cost of cleaning supplies and the associated labor for the charter school facilities. For FY 2012 through FY 2016, GSOTA paid CCI church a total of \$53,900 for these expenditures. Given the OIG was not provided with written documentation that the charter school agreed to pay CCI church for utility fees and trash removal, the OIG questions why GSOTA paid for these costs.

Other Expenses Reviewed

Total Costs of \$11,539 for Architect & Engineer Consultant Agreements passed through to GSOTA by CCI Church

The OIG reviewed a Proposal for Professional Services submitted by the engineering firm of "Simons & White, Inc." (Consultant) to CCI (Client), which was dated April 9, 2015 and addressed to Erik Benz. The scope of services included site plan changes and engineering related issues for a drainage report with a total cost of \$700. The Proposal was accepted and signed by Erik Benz, as Director for CCI on April 9, 2015. See Exhibit 2.

The OIG reviewed a second fee estimate submitted to CCI on April 14, 2015 from the landscape architect firm of "Cotleur & Hearing Landscape Company." The fee estimate was emailed to Erik Benz by Cotleur & Hearing with an attached itemization of the services to be provided and the associated fees, which totaled \$10,838.58. Per the email from Cotleur & Hearing, CCI church was instructed to make its payment payable to "PBC BOCC" (i.e. the Palm Beach County Board of County Commissioners.) See Exhibit 3.

Based on review of GSOTA's accounting records and supporting documentation, the OIG found Invoice 903 from CCI church to GSOTA dated April 14, 2015, which requested GSOTA to pay CCI church a total of \$11,538.58 for land development and engineering fees. Table 9 below provides a detailed breakdown of CCI church's Invoice 903 to the charter school. See Exhibit 4.

TABLE 9

Qty.	DESCRIPTION	UNIT PRICE
1	Land Development Application Fee for Fees associated with Application for Rezoning as per Palm Beach County Board of County Commissioners and Palm Beach County Building & Zoning (<i>Cotleur & Hearing</i>)	\$ 10,838.58
1	Engineering Fees for Drainage Report (<i>Simons & White</i>)	700.00
	TOTAL	\$ 11,538.58

Below are the areas/uses and square footage of the various programs as indicated in the planning documents of "Cotleur & Hearing Landscape Company" as submitted to Palm Beach County.

<u>AREA/USES</u>	<u>SQUARE FOOTAGE (SF)</u>	<u>% of TOTAL</u>
1. Place of Worship	6,986 SF	20%
2. Daycare	1,302 SF	4%
3. Charter School	20,260 SF	56%
4. Accessory	<u>7,052 SF</u>	<u>20%</u>
TOTAL SQUARE FOOTAGE	35,600 SF	100%

3. GOVERNANCE ACCOUNTABILITY REVIEW

The OIG examined the following areas related to governance accountability:

3A. Governance Board Training

Florida Administrative Rule 6A-6.0784 Approval of Charter School Governance Training Section (1) (b) states, "Each governing board member must complete a minimum of four (4) hours of instruction focusing on government in the sunshine, conflicts of interest, ethics, and financial responsibility as specified in Section 1002.33 (9)(k), F.S. After the initial four (4) hour training, each member is required within the subsequent three (3) three years and for each three (3) year period thereafter, to complete a two (2) hour refresher training on the four (4) topics above in order to retain his or her position on the charter school board. Any member who fails to obtain the two (2) hour refresher training within any three (3) year period must take the four (4) hours of instruction again in order to remain eligible as a charter school board member" and Section (1) (c) states, "New members joining a charter school board must complete the four (4) hour training within 90 days of their appointment to the board."

Section 8: Governance subsection (B) Governing Board Responsibilities paragraph (12) Governance Training of the charter contract between The School Board of Palm Beach County, Florida and Gardens School of Technology Arts states, "The School's governing board members shall participate in charter school governance training, facilitated by the Sponsor or an approved Florida Department of Education vendor, pursuant to state law."

Based upon information provided by GSOTA, the OIG conducted an analysis of the governance board training and compiled the below chart:

Name	Position	Term	Completed Required Training within 90 Days of Appointment	Completed Required Refresher Training Every 3 Years	New Member Board Approval Date	Date of First Training	Date of Refresher Training
Alfrey, Lori	Member	2012 - 2014	No	No	09/17/12		
Andio, Jon	Member	2014 - Present	Yes	N/A	07/21/14	10/15/14	
Cole, Lisa	Secretary	2011 - Present	Yes	No	12/19/11	12/12/11	03/09/15
Culp, Dave	Member	2016 (2 months)	N/A	N/A	01/11/16		
Farley, Christine	Member	2014 - Present	Yes	N/A	10/13/14	01/01/15	
Hoenings, Gerald	Treasurer	2014 - Present	No	N/A	01/01/14	07/29/14	
Menkhaus, David	Treasurer	2011 - 2014	No	No	06/29/11		
Moore, Carla	Member	2014 (4 months)	No	N/A	07/21/14		
Moore, Debra	Chair	2011 - Present	Yes	Yes	06/29/11	08/08/11	08/06/14
Reyes, Dave	Vice Chair	2011 - Present	Yes	No *	12/19/11	02/01/12	06/08/15
Stonecipher, Misi	Member	2011 - 2012	No	No	06/29/11		

Source: Information received from GSOTA

* Refresher training completed approximately 3 years and 4 months after initial training

Attorney Kathleen W. Schoenberg provided Charter School Governance Training to the above Board Members. Attorney Schoenberg is an approved Florida Department of Education vendor.

Findings: GSOTA's Governing Board members did not strictly adhere to the required mandate as some of the members (i.e. Alfrey and Stonecipher) served on the Board over a year without receiving the required training. Additionally, some of the Governing Board members did not complete the training as required within the first 90 days of appointment (i.e. Alfrey, Hoenings, Menkhaus, Moore Carla, and Stonecipher). Finally, some of the Governing Board members did not timely complete the required three (3) year refresher (i.e. Alfrey, Cole, Menkhaus, Reyes, and Stonecipher).

3B. Governance Board Member Conflict of Interest

Board Member Jon Andio was appointed to the GSOTA Governing Board on July 21, 2014. Jon Andio received Charter School Governance Training on October 15, 2014 from Attorney Kathleen W. Schoenberg. According to information received from GSOTA, 1 Stop Generator Shop is a vendor who has currently performed worked on the campus of GSOTA. According to records found on the State of Florida, Division of Corporations website, 1 Stop Generator Shop is a Florida Profit

Corporation incorporated by Jon E Andio. Jon Andio is listed at the President of the Corporation. 1 Stop Generator Shop was incorporated on July 06, 2006.

According to GSOTA,'s website, under the Governing Board section, Jon Andio is listed as a Board Member. Jon Andio bio reads "Jon Andio is a licensed electrician, working in the electrical trades for well over 20 years, and working as a Master Electrician since 1999. He is the owner/operator of 1 Stop Generator Shop, a local family-owned business operating in Palm Beach Count since 2005. Jon has been a Board Member since 2014 and, along with his wife Jessica, is also an active member of the school's Parent Teacher Organization (PTO) since 2012. Jon and Jessica have three children, two of which have attended the school since its inception".

Based upon information received from GSOTA, Jon Andio, 1 Stop Generator conducted business with GSOTA and was paid the following monetary compensation for services provided:

Type	Date	Number	Name	Memo	Debit	Amount
Check	10/31/2013	10674	1Stop Generator Shop	Invoice # 4891	Non-Capitalized Computer Hardware	460.00
Check	11/13/2013	7102	1Stop Generator Shop	Staples Reimbursement	Other Materials and Supplies	124.93
Check	12/05/2013	10704	1Stop Generator Shop	Invoice # 2669	Non-Capitalized Computer Hardware	415.41
Check	04/29/2014	10799	1Stop Generator Shop	Invoice # 5425	Repairs and Maintenance	816.00
Check	***08/19/2015	11229	1Stop Generator Shop	Invoice # 6852	Repairs and Maintenance	356.96
Check	***01/12/2016	11401	1Stop Generator Shop	Invoice # 12733	Repairs and Maintenance	364.49

*** Denotes Jon Andio conducting business with GSOTA as an active Governing Board Member

On January 24, 2017, the OIG conducted an interview with Director Jeanne Benz. Director Benz stated GSOTA continued to utilize 1 Stop Generator Shop after Jon Andio was elected to GSOTA's Governing Board because he was a part of the school's family and the school had used him a couple of times before for small jobs. Director Benz stated the payments to him and his company were below the allowable amounts for those sort of transactions. Director Benz stated the allowable amount was \$500 per year. Director Benz stated 1 Stop Generator provided electrical services for the school. Director Benz stated Jon Andio did receive Governance Board training. As depicted in an earlier chart, Jon Andio received Governance Training on October 15, 2014.

Section 8: Governance, subsection B) Governing Board Responsibilities, paragraph 9) Governing Board Compensation, page 53, of the Charter School Contract states, "*No member of the School's governing board shall receive compensation, directly or indirectly, from the School's operations, including but not limited to grant funds.*"

GSOTA provided the OIG with a copy of their Gardens School of Technology Arts Conflict of Interest Policy v1. Paragraph 3 of said policy states, "*Governing Board Members shall not receive any monetary compensation or beneficial interest for their services nor shall they or their immediate family members, as defined by Florida Senate Bill 278, have any personal or financial interest in the school other than their own monetary donations to the school.*" See Exhibit 5.

Findings: Substantiated.

3C. Conflict of Interest Statements:

The OIG requested a copy of all Conflict of Interest statements signed by all Governing Board members for the period of July 1, 2011 thru August 31, 2016. As of March 3, 2017, the OIG has not received the requested documents. According to GSOTA's written response, "Conflict of Interest statements were not applicable per F.S.S. 1002.33(26) (b)".

GSOTA is correct that Florida State Statute 1002.33 (26) does not apply to them, as it applies to members of a governing board of a charter school operated by a municipality or other public entity. However, Florida Statute 112.3143(3)(a) does apply to GSOTA, and provides:

(3)(a) No county, municipal, or other local public officer shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss; which he or she knows would inure to the special private gain or loss of any principal by whom he or she is retained or to the parent organization or subsidiary of a corporate principal by which he or she is retained, other than an agency as defined in s. 112.312(2); or which he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Such public officer shall, prior to the vote being taken, publicly state to the assembly the nature of the officer's interest in the matter from which he or she is

abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.

In addition, Paragraph 4 of *Gardens School of Technology Arts Conflict of Interest Policy v1.* states, *"Each Governing Board Member will sign the school's Conflict of Interest Statement."* See Exhibit 5.

Findings: Based upon the aforementioned GSOTA may be in violation of their own internal policy and the contract with the School Board.

3D. Governance Board Member Eligibility and Clearance: Background Check Screening

Section 8: Governance, subsection (G) Identification of Governing Board Members, paragraph (2) Governing Board Member Eligibility and Clearance, page 55 of the contract with the Palm Beach County School District and GSOTA states, *"The School's governing board members shall be fingerprinted by the Sponsor within thirty (30) days of execution of the School's Contract. Board members appointed to the governing board after the approval of the School's Contract must be fingerprinted within thirty (30) days of their appointment. The cost of fingerprinting shall be borne by the School by the School or the governing board member. The governing board agrees to dismiss governing board member whose fingerprint check results reveal non-compliance with standards of good moral character. Any change in governing board membership must be reported to the Sponsor."*

The OIG requested the Palm Beach County School District Police Department review the fingerprinting and background screening of all active and inactive GSOTA Governing Board Members for the time period of July 1, 2011 thru August 31, 2016. Based upon information received from School Police, the OIG found three (3) of GSOTA's Board Members were never background screened.

Name	Position	Term	Level II Background Screened
**Alfrey, Lori (Bush)	Member	2012-2014	No
Andio, Jon	Member	2014-present	Yes
Cole, Lisa	Secretary	2011-present	Yes
Culp, David	Member	2016- (2 months)	Yes—not for Board Member
Farley, Christine	Member	2014-present	Yes
Hoenings, Gerald	Treasurer	2014- present	Yes
**Menkhaus, David	Treasurer	2011-2014	No
Moore, Carla	Member	2014- (4 months)	Yes
Moore, Debra	Chair	2011-present	Yes
Reyes, Dave	Vice Chair	2011-present	Yes
**Stonecipher, Misi	Member	2011-2012	No

Source: Information received from School Police on October 28, 2016 and February 1, 2016

Findings: Substantiated, as some board members were not background screened.

3E. Fingerprinting and Background Screening of Employees

Section 10: Human Resources subsection (A) Hiring Practices, paragraph (4a) page 58 of the charter school contract between The School Board of Palm Beach County, Florida and Gardens School of Technology Arts states, “ Pursuant to Fla. Statute 1012.32(2)(a), 1012.465, and 435.04, the School shall fingerprint for level 2 screening of all applicants, for instructional and non-instructional positions, that the School is interested in employing. Additionally, the School agrees that each of its employees, representatives, agents, subcontractors, or suppliers who are permitted access on school ground when students are present, who have direct contact with students or who have access to or control of school funds must meet level 2 screening requirements as described in Fla. Statute 1012.32 and 435.04”.

Findings: The OIG reviewed the fingerprinting and background screening of all active and terminated employees for the time period of July 1, 2011 thru August 31, 2016. Based upon information received from the Palm Beach County School District Police Department, the OIG found GSOTA to be in compliance with both the contract and Florida Statutes related to background screening of employees.

No exceptions noted.

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4. Comparison Lease(s) Analysis

The OIG conducted a comparison analysis of the original and renewed commercial lease agreement(s) between CCI and GSOTA. The OIG noted the monthly rental payments increased by 95% the first year and 65% thereafter based upon the OIG analysis. For details see below.

Analysis of Commercial Lease Agreement between GSOTA & Covenant Central International Inc. (Church)

	ORIGINAL LEASE	RENEWED LEASE
Landlord	Covenant Centre International	Covenant Centre International
Tenant	Gardens School of Technology Arts	Gardens School of Technology Arts
Commencement Date	07/01/11	07/01/16
Termination Date	06/30/16	06/30/31
Term	5 years	15 years
Monthly Cost	year (1): \$9166.67 years (2-5) \$10,833.33	monthly -- \$17,900.00
Total Lease	\$629,999.88 (lease duration)	\$3,222,000.00 (lease duration)
Utilities Responsibilities	Landlord (church) responsible for utilities	Tenant responsible for 65% of utilities required to operate the property (averaged annually). Landord responsible for 35% of utilities to operate the property (averaged annually)
Lease Signed By	Debra K. Moore, President, Board of Directors (Gardens School of Technology Arts) Norman Benz, President (Covenant Centre International)	David Reyes, Vice President (Gardens School of Technology Arts) Robert Varnadore, Vice President (Covenant Centre International)
Date Contract Signed	July 1, 2011	April 26-27, 2016

Source: Contract agreements

On December 8, 2016, Director Benz provided the OIG with a copy of a written explanation of GSOTA Use of Facilities and Lease Payment Schedules.

According to the GSOTA's Use of Facilities document, *"the fifteen year lease effective July 1, 2016 included an increase in monthly rate for space currently used as well as an increase to reflect 3,500 sq. ft of new space, which was intended for use this fiscal year. Construction has been delayed due to the protracted charter renewal process and the requirement of a signed charter contract to enable the landlord to secure necessary financing for project completion..."*. For further details see below.

12/8/2016 from:
J. Benz



Gardens School OF TECHNOLOGY ARTS

Educating Young Innovators for the 21st Century

Explanation of GSOTA Use of Facilities and Lease Payment Schedules

The table below illustrates the payment schedule for lease of property at 9153 Roan Lane, Palm Beach Gardens, Florida from July 1, 2011 – June 30, 2016 by Gardens School of Technology Arts. The square footage indicated as 'utilized' includes interior spaces without common areas (4000 ft²) and does not include the extensive outdoor spaces used by GSOTA's students. The commercial market lease value used for comparison is very conservative. In addition, the most significant utilities were paid by the landlord for FY's 2012-2016.

School Year	Interior space utilized	Annual rent	Cost	Mkt value of commercial lease property	Annual savings to GSOTA related to rent	Annual savings to GSOTA related to utilities (estimate)
FY12	12,400 ft ²	\$110,000	\$8.87/ft ²	\$17.00/ft ²	\$110,800	\$25,500
FY13	13,700 ft ²	\$130,000	\$9.49/ft ²	\$17.00/ft ²	\$102,900	\$32,000
FY14	16,950 ft ²	\$130,000	\$7.67/ft ²	\$17.00/ft ²	\$158,150	\$35,500
FY15	18,950 ft ²	\$130,000	\$6.86/ft ²	\$17.00/ft ²	\$192,150	\$37,500
FY16	21,600 ft ²	\$130,000	\$6.02/ft ²	\$17.00/ft ²	\$237,200	\$39,000

The lease effective July 1, 2016 included an increase in the monthly rate for space currently used as well as an increase to reflect 3,500 ft² of new space, which was intended for use this fiscal year. Construction has been delayed due to the protracted charter renewal process and the requirement of a signed charter contract to enable the landlord to secure necessary financing for project completion.

School Year	Interior space utilized	Annual rent	Cost	Mkt value of commercial lease property	Annual savings to GSOTA related to rent	GSOTA to pay a proportional % of utilities
FY17	25,100 ft ²	\$214,800	\$8.55/ft ²	\$18.00/ft ²	\$237,000	65%

The market valuation of \$18.00/ft² is remains conservative, with commercial properties leasing for \$18-\$22 in our area. Even with the increase in rent payment, the amount of school funds being conserved through GSOTA's lease agreement with the current landlord is profound and contributes to a very sound financial condition for our public charter school.

Gardens School of Technology Arts • A Tuition-Free Public Charter School

mysota.net • 9153 Roan Lane • Palm Beach Gardens, FL 33403 • info@mysota.net • 561-290-7661

(Signature)

5. Did GSOTA violate the terms of the current contract with the District when it entered into a fifteen (15) year rental lease agreement with its current landlord?

The Charter School Contract between The School Board of Palm Beach County, Florida and Gardens School of Technology Arts Inc. on behalf of Gardens School of Technology Arts entered into on March 18, 2011 for the term of July 1, 2011 thru June 30, 2016.

Facilities

Section 5: Facilities, subsection B) Compliance with Building and Zoning/Requirements, paragraph 5) Leased facilities, page 44 of the charter school contract between The School Board of Palm Beach County Florida and GSOTA , states, *"If the School operates in leased facilities, the lease shall be for the term of this Contract, or in lieu thereof, the School shall present a lease with a plan to ensure a facility for the duration the Contract. The lease shall be signed by a properly authorized member of the governing board, or its designee, as documented in corresponding official governing board meetings minutes"*.

According to the District's Charter School Director Jim Pegg and Attorney Sagerholm, GSOTA executed a fifteen (15) year rental lease agreement with Covenant Centre International Inc. on April 27, 2016 without properly notifying the School District. The term of the new lease began on July 1, 2016 and will terminate on June 30, 2031. See Exhibit 6. Further on May 9, 2016, GSOTA submitted a written request for a 15-year term renewal with the District stating that they were *still* in the "process of negotiating a long-term lease", when in fact the new Lease Agreement had already been approved and executed by GSOTA and the Covenant Centre International Inc. approximately two (2) weeks earlier on April 27, 2016. The written request was signed by GSOTA's Board Chair Debra Moore. See Exhibit 7.

It should be noted that March 2, 2016, the School Board approved GSOTA's charter renewal, authorizing the Superintendent to sign all the related agreements for the renewal. The agenda cover item further provided in part "The School Board's approval of the Charter Renewal indicates an agreement to enter into charter contract negotiations, and if successfully negotiated by Legal and approved by the School Board, will result in entering into a Charter Contract." See Exhibit 8.

On January 26, 2017, the OIG received a written response from GSOTA regarding the 15 year rental lease agreement with the Landlord without prior notification to the School Board it states, *"The School's charter, Florida law, and applicable regulations do not require prior notification; also it is neither standard practice nor industry custom for a charter school to provide notice to a school board prior to executing a lease. In short, there is no reason why GSOTA would have notified the School board prior to entering into a lease. Importantly, the fact that the school was in the process of negotiating a 15-year lease was specifically discussed with School Board representative during a*

meeting on April 14, 2016. Attached is a letter providing further information on this issue. “ For details see the letter below dated September 16, 2016 from the law offices of Kathleen W. Schoenberg. See Exhibit 9.

The OIG posed the following questions to Director Benz related to the fifteen (15) year lease agreement and received the following responses:

Question(s):

- a. Is the expansion for the additional classrooms contingent upon a 15 year charter with the School Board?

Response: The GSOTA expansion project necessitates that long-term financing be secured by the landlord, and a 15 year charter provides the best security for justifying this investment in the property.

- b. Why did GSOTA enter into a 15 year rental agreement with the Landlord versus a 5 or 10 year rental agreement?

Response: It is prudent business practice for a charter school to enter into a long-term lease because it secures the site for future operations. In addition, the school intended to seek a 15 year charter renewal. This was discussed with representatives of the School Board at a meeting on April 14, 2016 (prior to lease execution), and at that time there was no indication that the school wouldn't qualify for a 15-year contract. See Exhibit 10.

Both District staff and attorney and GSOTA's staff and attorney indicates the parties had numerous meetings related to the negotiations of the contract renewal. See Exhibit 9, the letter dated September 16, 2016 from the law offices of Kathleen W. Schoenberg, and Exhibit 11, letter dated September 15, 2016 from Assistant General Counsel A. Denise Sagerholm. It appears negotiations occurred between April 14, 2016 through July 26, 2016.

However, District representatives and GSOTA's representatives provided inconsistent statements as to whether District representatives were aware of GSOTA's and CCI's execution of a 15-year lease agreement, or had any discussions regarding a contract providing a term of 15 years.

The OIG does not feel the need to opine on whether GSOTA's entering a 15 year agreement commencing on July 1, 2016 would have violated the current charter school contract with the term of July 1, 2011 to June 30, 2016, given that the contract amendments extending the date of the contract were for the purposes of completing negotiations for the contract renewal or related to the completion of this investigation.

OIG does note that Section 1002.33(a)(12), Florida Statutes provides, in part, the following regarding charter school lease agreements.

... The initial term of a charter shall be for 4 or 5 years. In order to facilitate access to long-term financial resources for charter school construction, charter schools that are operated by a municipality or other public entity as provided by law are eligible for up to a 15-year charter, subject to approval by the district school board. A charter lab school is eligible for a charter for a term of up to 15 years. **In addition, to facilitate access to long-term financial resources for charter school construction, charter schools that are operated by a private, not-for-profit, s. 501(c)(3) status corporation are eligible for up to a 15-year charter, subject to approval by the district school board.** Such long-term charters remain subject to annual review and may be terminated during the term of the charter, but only according to the provisions set forth in subsection (8).

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Law Offices
 Kathleen W. Schoenberg, P.A.
 14545 J Military Trail
 #226
 Delray Beach, FL 33484

Telephone: (561) 350-3343
 Fax: (561) 431-5231
 E-mail: kathleen@kwsps.com

September 16, 2016

Via Electronic Mail

A. Denise Sagerholm, Esquire
 School District of Palm Beach County
 Office of Chief Counsel
 P.O. Box 19239
 West Palm Beach, FL 33416

Re: Gardens School of Technology Arts (GSOTA)

Dear Ms. Sagerholm,

You state in your September 15, 2016 correspondence that the Palm Beach County School District (District) intends to "proceed accordingly" due to the fact that GSOTA has entered into a 15-year lease. Your assertions that GSOTA concealed the current lease from the District are untrue. We will restate the facts and timeline involving the school's lease, all of which GSOTA previously communicated both in writing and in our meeting on Monday, September 12, 2016.

The language of the current charter places no prohibition on my client's ability to negotiate a lease with its landlord. As described in more detail in my letter dated August 15, 2016, the charter language you cite was intended to ensure that the school had a plan in place for an adequate facility during the term of the charter. The school ensured this would happen -- they previously executed a five-year lease which expired June 30, 2016.

My client appreciates your review of their board minutes from the March 14, 2016 board meeting as they validate what we previously discussed. The board discussed the receipt of proposed lease terms from its landlord, given that the school's lease was due to expire on June 30, 2016. This meeting was after the school was approved for renewal by the District. At this meeting board member David Reyes was granted authority to finalize a lease within parameters established by the board.

Shortly thereafter, representatives from GSOTA and the District met on April 14, 2016 to begin negotiation of the renewal charter. At that meeting my client requested a 15-year charter term. During that conversation GSOTA discussed that a 15-year term would facilitate the landlord's efforts to secure financing to expand the school's facilities to accommodate growth. At no time during that meeting did any District representatives state that a 15-year lease would put GSOTA out of compliance. On the contrary, it was implied that a 15-year lease would be necessary as a basis for the request. You advised my client to submit its basis for the request for a 15-year term in writing.

Following that meeting and prior to April 27, 2016 (the date of the lease execution), a letter in support of the 15-year charter term was drafted. At the time of the first draft of the letter the lease had not been executed; hence, the letter states that the school was in the process of negotiations. The letter was finalized and executed by Debra Moore, GSOTA board president on May 9, 2016. At the time she sent the letter she was not aware that the lease had actually been executed as board members refrain from

A. Denise Sagerholm, Esq.
September 16, 2016
Page two

discussions outside of board meetings. As a review of the May 9, 2016 GSOTA board minutes reflects, there was no discussion of the lease at that meeting. This is important because your letter states that "GSOTA has not been transparent with the District regarding the new Lease Agreement." The fact that Ms. Moore's letter indicates an intent to sign a lease was not an act of concealment, only a matter of timing.

Your letter lists the dates that the parties met during the course of the renewal charter negotiation. You question why GSOTA never mentioned the lease during any of these meetings. The question to be asked is - why *would* the school bring up the lease? The parties' discussions focused on the renewal charter contract, and in almost every meeting GSOTA asked for a response to its request for a 15-year charter term. Ms. Moore's May 9, 2016 letter explicitly states the anticipated term of the lease. The lease was also uploaded to the District's Charter Tools system on July 19, 2016 as part of GSOTA's school opening checklist. Certainly, both a letter describing the lease terms and a full copy of the lease being uploaded to the District's system would be considered ample notification by any reasonable standard.

The more relevant question is why, in all of those meetings, did the District wait until August 11, 2016 to provide notice of any concern about the term of the lease, despite receiving written notice on May 9, 2016 of the school's intent to enter into a 15-year term?

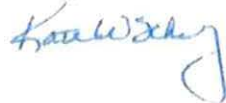
My client provided written notice of the 15-year lease term on May 9, 2016 and the first time the District brought this up as an issue was August 11, 2016. In fact, as of the date of this letter, the school has received *no* response to its request for a 15-year term. Consequently, GSOTA had no reason to believe it wouldn't be granted a 15-year charter term.

The District's issue with GSOTA's lease focuses on the date of execution. It is important to note that even if the lease had been executed after May 9, 2016, under the District's own reasoning it would not have made a difference. The District never notified GSOTA that it believed the school to be out of compliance until August 11, 2016, despite the May 9, 2016 notice of the school's intent for the long-term lease.

Finally, throughout our discussions and correspondence on this matter, GSOTA fails to see why the school district views GSOTA's lease execution as an act which rises to the level of threatened charter termination. The current charter does not prohibit GSOTA from executing a lease. The school district is neither a party to the lease nor a guarantor. There is no obligation under Florida law that would require the District to assume any obligations under the lease. If the school is unable to fulfill its obligations under the lease, it is a risk assumed by the landlord, not the District.

GSOTA requests written notification from the District that it is in compliance with its charter, and GSOTA requests that the District continue negotiations of its renewal charter contract in good faith.

Sincerely,



Kathleen W. Schoenberg, Esq.

cc: Gardens School of Technology Arts

Relationships-Hiring of Relatives

6. Relationships between the Church (Covenant Centre International Inc.) and Gardens School of Technology Inc.

Florida Statutes Section 1002.33(7)(a)(18) Requires full disclosure of the identity of all relatives employed by the charter school who are related to the charter school owner, president, chairperson of the governing board of directors, superintendent, governing board member, principal, assistant principal, or any other person employed by the charter school who has equivalent decision-making authority. For the purpose of this paragraph, the term "relative" means father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister.

Section 10: Human Resources subsection (B) Employment Practices, paragraph (1) Statutory Prohibition and Required Disclosure regarding Hiring of Relatives, page 58 of the charter school contract between The School Board of Palm Beach County, Florida and Gardens School of Technology Arts states, *"The school and its employees shall comply with state law prohibiting the employment of relatives which prohibits the appointment, employment, promotion, or advancement, or the advocacy for appointment, employment, promotion, or advancement in or to a position in the charter school in which the personnel are serving or over which the personnel exercises jurisdiction or control of an individual who is a relative".*

The Church

Norman Benz

- The founding Pastors of the Covenant Centre, Inc. church
- The Church is the current Landlord of GSOTA

Judy Benz

- The wife of Norman Benz
- Oversees the children's, women's and administrative ministries of Covenant
- The president/incorporator of the not for profit -Children's Academy Inc. (provides fee-based pre-school for GSOTA students up to 9 years of age)

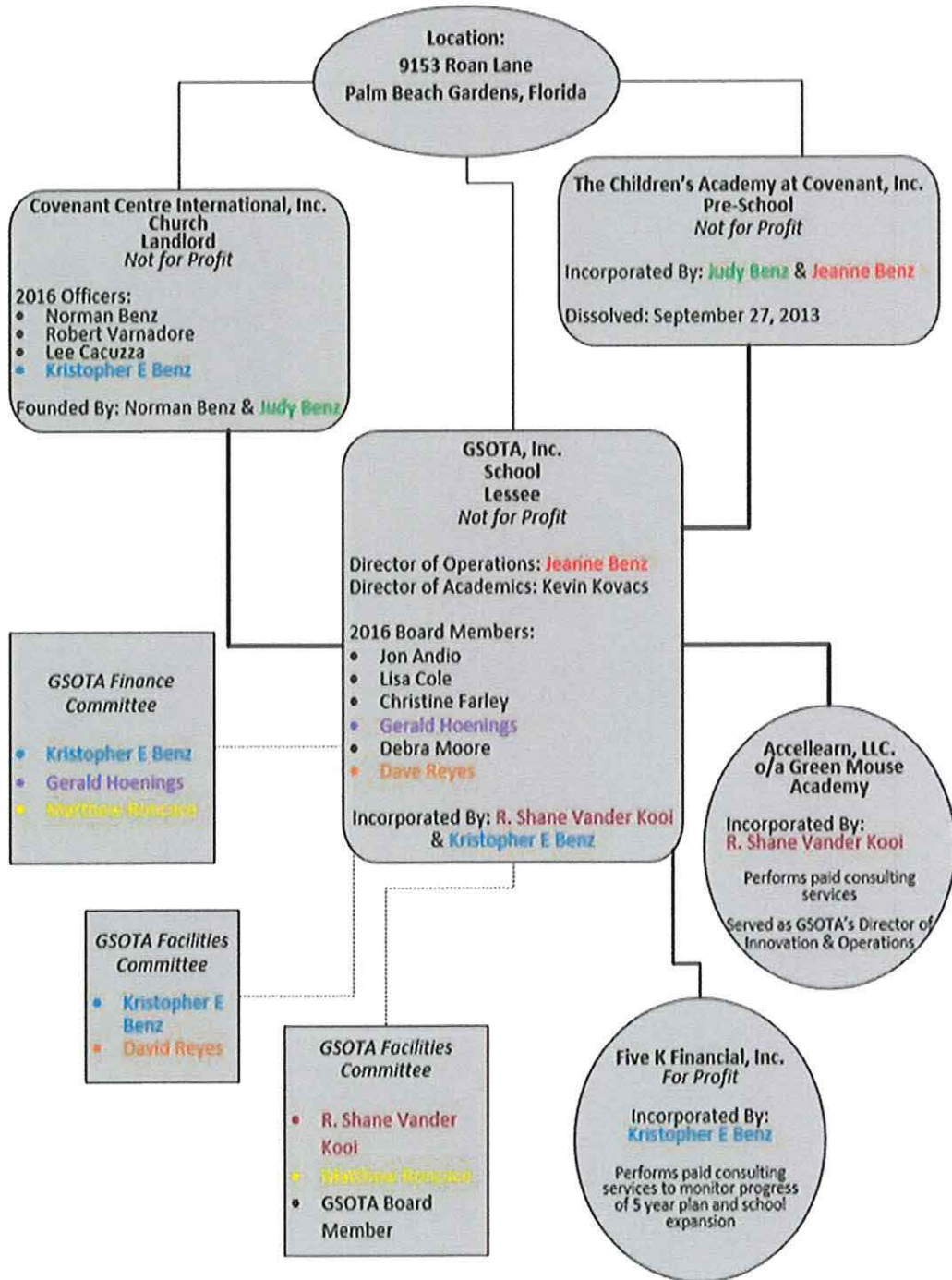
Kristopher Erik Benz

- The son of Norman and Judy Benz.
- A member of the Church Governing Board -listed as Board Secretary.
- A paid employee of the Church— Executive Pastor-oversee church management and administrative duties.
- The original founder/incorporator of GSOTA in 2009 with Shane Vander Kooi.
- Signed original charter school contract on April 18, 2011, with the District while serving as the Governing Board Secretary of Gardens School of Technology Arts, Inc., (see page 64 of the Charter School Contract with the District)
- Owner of Five K Financial—a For Profit corporation—current paid consultant of GSOTA who has had a long-term business relationship with GSOTA, as GSOTA founder and as a paid consultant.
- The husband of Jeanne Benz—Director of School Operations

Jeanne Benz

- The wife of Kristopher Erik Benz
- The daughter-in-law of Norman and Judy Benz.
- The Vice President of The Children's Academy
- Current Director of School Operations for GSOTA (2014, 2015,2016)
- Employed in the capacity of: school secretary (2011) assistant to the principal (2012), assistant to the principal; officer manager (2013)

RELATIONSHIP CHART



7. Business Relationships between GSOTA and Professional Service Providers (PSP).

The OIG reviewed the following Professional Service Providers that provided professional services to GSOTA for the period of July 1, 2011 through August 31, 2016.

Based on review of GSOTA's accounting records, supporting documentation, and GSOTA vendors' online corporate filings with the Florida Secretary of State's Division of Corporations, the OIG noted that the charter school conducted official school business with several parties. **Table 10** below summarizes the OIG's analysis of the total amounts the GSOTA charter school paid to five (5) related parties for the period July 1, 2011 through August 31, 2016.

NO	PAYEE	TOTAL PAYMENTS	PARTY NAME	RELATIONSHIP TO GSOTA
1	Green Mouse Academy <i>{See Exhibit 12.}</i> ⁸	190,137.14	Kooi, Shane Vander	<ul style="list-style-type: none"> • Incorporator of GSOTA • Owner of Green Mouse Academy
2	Five K Financial, Inc. <i>{See Exhibit 13.}</i>	91,095.09	Benz, Kristopher "Erik"	<ul style="list-style-type: none"> • Incorporator of GSOTA • Incorporator of "Five K" • Married to Jeanne K. Benz, who is a GSOTA employee – Director of Operations
3	The Children's Academy, Inc. <i>{See Exhibit 14 for corporate records and Exhibit 15 for cancelled checks.}</i>	31,270.53	Benz, Judith C.	<ul style="list-style-type: none"> • Incorporator of "The Children's Academy" (2005) • Mother-in-law of Jeanne K. Benz, who is a GSOTA employee – Director of Operations • Jeanne Benz is the Vice President of "The Children's Academy"
4	Accellearn, LLC <i>{See Exhibit 12.}</i> ⁸	12,255.68	Kooi, Shane Vander	<ul style="list-style-type: none"> • Incorporator of GSOTA • Owner / Manager of Accellearn, LLC
5	1 Stop Generator <i>{See Exhibit 16.}</i>	2,537.80	Andio, Jon	<ul style="list-style-type: none"> • GSOTA Governing Board Member (2014 – Present)
TOTAL PMTS		\$ 327,296.24		

⁸ The owner of ACCELLEARN, LLC (R. Shane Vander Kooi) is an original founder and incorporator of GSOTA. R. Shane Vander Kooi transitioned from the Board of GSOTA June 30, 2011.

Five K Financial Inc.**Owner: Kristopher E. Benz**

Based upon information found at the Florida Department of State Division of Corporations, Five K Financial Inc. is an active Florida Profit Corporation, filed on January 07, 2011 by Kristopher E Benz. Kristopher E. Benz is the sole listed officer: President

The OIG reviewed an Agreement between the Gardens School of Technology Arts, Inc. – GSOTA and “Five K Financial, Inc.” the company owned by Kristopher “Erik” Benz. The Agreement was for a one-year period of July 1, 2015 through June 30, 2016 and required GSOTA to pay “Five K Financial, Inc.” (Consultant) a total of \$24,000 for providing “guidance and oversight” to GSOTA in the following areas: **See Exhibit 17.**

Monitor progress of the Five Year Plan for facility improvements and school expansion under the direction of the Board.

1. Guide the financial processes that will allow the school the resources needed to educate each student within the mission/vision of the school.
2. “Five K” will execute tasks as outlined in the Five Year Plan under the guidance of the Facilities Committee.
3. “Five K” will ensure that the facilities are adequate for school growth and fits within the vision of the School Image as planned for in the Facilities Plan and service school facilities needs in accordance with the school’ growth plan.
4. Oversee the utilization of capital outlay funds for facility improvements according to priority schedule determined by the Facilities Committee.
5. To work under the guidance of the Board Treasurer to ensure budget integrity.
6. To assist the CPA in financial oversight, coding, processing and budgeting.
7. To work with the CPA and Director of Operations (*i.e. Jeanne K. Benz, “Erik” Benz’s wife, who is an employee of GSOTA*) to help coordinate and disseminate information and plan documentation around payroll benefit programs and internal incentive programs.

Kristopher Benz contracts stipulates that he has not been granted any jurisdiction or control over the charter school and specifically has no vested or delegated authority to appoint, employ, promote, or advance individuals or to recommend individuals for appointment, employment, promotion or advancement in connection with employment in the charter school. It also stipulates Kristopher Benz has not been granted any jurisdiction or control over the charter school’s finances and specifically has no vested or delegated authority to spend, allocate or commit funds of the charter school.

Kristopher Erik Benz, the owner of Five K Financial Inc., is an original founder and incorporator of GSOTA. Kristopher Erik Benz transitioned from the Board of GSOTA June 30, 2011.

The OIG reviewed GSOTA's "School's Accounting & Reporting Policies, Procedures & Practices," revised on November 17, 2014, and approved by GSOTA's Governing Board. See Exhibit 18. Per the revised accounting policies, the charter school's Director of Operations and the School Principal are assigned the following financial oversight and authority:

1. Depositing daily cash receipts in the bank account. (Director of Operations)
2. Maintaining a petty cash fund for \$200, including safeguarding the petty cash box. (Director of Operations)
3. Approval of all invoices received by the charter school. (Director or School Principal)
4. Signing all checks greater than \$1,000, which requires dual signatures. (Director or School Principal)
5. Approving all check requisition forms for purchases greater than \$500. (Director or School Principal)
6. The Director of Operations and School Principal are the only authorized individuals with a debit card.

The OIG also reviewed the check signer forms for GSOTA's business bank account with J.P. Morgan Chase Bank, N.A. "Jeanne Kathleen Benz" was added as a check signer on GSOTA's bank accounts with Chase Bank on April 3, 2012. See Exhibit 19. We also reviewed cancelled check payments GSOTA charter school paid to "Five K Financial, Inc." and noted that GSOTA's Director of Operations, Jeanne K. Benz, signed six (6) check payments issued to her husband, Kristopher "Erik" Benz's, company, "Five K Financial, Inc." See Exhibit 20.

Given that GSOTA's Director of Operations, Jeanne K. Benz, is married to Kristopher "Erik" Benz and who was awarded a consulting contract to provide fiscal oversight to the charter school through his company, "Five K Financial, Inc.", the charter school's system of internal controls is at risk for being circumvented.

Matthew Roncace, CPA

Based upon information provided by GSOTA, Matthew Roncace was appointed GSOTA's Accountant by GSOTA's Governing Board on June 29, 2011 because he had been volunteering with the charter application, budget development and assisted throughout the grant application process.

Based upon information found at the Florida Department of State Division of Corporations, Matthew Roncace is the incorporator of an inactive Florida Profit Corporation, JEM Enterprises,

Inc., filed on April 5, 2004 and dissolved on September 16, 2005. Listed as Directors of JEM Enterprises Inc. are Matthew Roncace and Kristopher Benz.

Matthew Roncace has a current consultant contract with GSOTA, providing services for: accounting, bookkeeping, financial reporting, and other related services on an ongoing basis.

The Children's Academy At Covenant, Inc.
Registered Agent & Vice President: Jeanne Benz
President: Judy Benz

Based upon information found at the Florida Department of State Division of Corporations, The Children's Academy at Covenant, Inc. is an inactive Florida Not For Profit Corporation. The Children's Academy was registered on December 16, 2005 by registered agent Jeanne Benz. Jeanne Benz is listed as the registered agent and Vice President of the corporation. Judy Benz is listed as the President of the corporation. The Cooperation was dissolved on September 27, 2013.

The Articles of Incorporation for the Children's Academy At Covenant, Inc. its stated purpose is:

- To organize for the purpose of providing quality care, education, and training of children in an atmosphere of Christian excellence.

According to information provided by GSOTA and Director Benz, The Children's Academy At Covenant Inc. provided Pre-school services to GSOTA students for the first three years of GSOTA. Director Benz stated GSOTA paid for the Pre-school care of GSOTA's students.

Director Benz stated a portion of the parent fees of the students registered with GSOTA's Aftercare was provided to The Children's Academy because they were providing care for GSOTA students. Director Benz stated the Pre-school was fee based and they also had subsidized care available for ELC (Family Central paid monthly for the students that qualify for the aftercare). Director Benz stated they also accepted VPK funds.

Director Benz confirmed she and her mother-in-law Judy Benz were the original incorporators of The Children's Academy at Covenant Inc. Director Benz stated the company was closed in 2013 and currently, GSOTA employees provide Aftercare for the students.

Relevant GSOTA Governing Board Meeting Actions and Activities: June 29, 2011

The OIG reviewed documents from the June 29, 2011 GSOTA Governing Board Meeting and noted the following:

Roll Call

- Khristopher "Erik" Benz listed in the capacity of (Secretary)

Motion to Approve Previous Meeting's Minutes

- Shane Vander Kooi listed as Board Member in attendance – *it should be noted Shane Vander Kooi second the motion to approve previous meeting's minutes.*

Academics (Presented by R. Shane Vander Kooi)

Facilities Update (Presented by Kristopher "Erik" Benz)

Finance and Operations Update (Presented by R. Shane Vander Kooi)

Special Orders

- a. **Board Transition**
 - i. Debra moved to use June 30, 2011 as the **term limit for Shane and Erik** due to upcoming potential conflicts of interest and to ensure compliance with Florida Statute with respect to Charter School regulations. Misi 2nd the motion vote 4-0 in the affirmative.
- c. **Lease Agreement**
 - i. The lease with Covenant Centre International to provide facilities for the Charter School was discussed.
 - ii. Specific consideration was given to the labeling system for assets, insurance subordination, Dave suggested some language change concerning the rental amounts [has been changed to reflect the change].
 - iii. Dave motioned to approve: second by Deb; Motion passed 4-0 (Erik recused himself from the vote)
- e. **Approval of Accountant**
 - i. Matt Roncace is a CPA who volunteered with charter application budget development and throughout the grant application process.
 - ii. Motion to approve Matt as the school's accountant for board training and future operations.
 - iii. Motion: Deb, 2nd Misi, Motion passes 4-0 (Erik recuses himself from vote) "
- h. **Appointment of Co-Administrators**
 - i. Shane and Lana Thormodsgaard have been volunteering as volunteer Acting Directors and both were involved in the development/review of the school's Charter application.
 - ii. Noted that Shane would be contracted as a 1099 employee and Lana would be hired as a regular employee.
 - iii. Motion to appoint Shane and Lana to the school's Co-Administrator roles as defined in the Charter Contract and Charter Application, effectively coming on

- the payroll for budget purposes July 1, 2011.
- iv. Motion: Deb, 2nd Misi, Motion passes 4-0 (Shane recused himself from vote)

 - i. **Approval of Policies (specific to requirements of CSP Grant)**
 - i. Discussion that policies would be subject to review by Kathleen Schoenberg and by CSP Grant Specialist to ensure compliance with state and federal regulations. **Policies included: Conflict of Interest, Procurement, Admission & Lottery.**
 - ii. Motion is to approve polices
 - iii. Motion: Dave, 2nd Deb, Motion passes 5-0

 - j. **Authorization for Co- Administrators** to execute required documents specific to meeting the requirements of the CSP grant award process; to meeting requirements of the Opening School Checklist items for the PBCSD Charter Department; and to hire the initial instructional and non-instructional staff per the approved year one budget.
 - i. Motion: Deb, 2nd Dave, Motion passes 4-0 (Shane recused himself from vote)

It appears as though R.Shane Vander Kooi and Kristopher Benz, while serving as Board Members, recused themselves from voting on business decisions related directly to them during this June 29, 2011 GSOTA Governing Board Meeting. See Exhibit 21.

Procurement Procedures:

According to the information provided by GSOTA, specifically Schedule E, Part II-Supplemental Information of their 990 Internal Revenue Form, GSOTA reports receiving Federal Funds for the following grants:

July 1, 2011— June 30, 2012	July 1, 2012— June 30, 2013	July 1, 2013— June 30, 2014	July 1, 2014— June 30, 2015	July 1, 2015— June 30, 2016
IDEA Grant	IDEA Grant	IDEA Grant	IDEA Grant	IDEA Grant
Federal Impact Grant	Federal Impact Grant	Federal Impact Grant	Capital Outlay Grant	Title II Grant
-----	-----	Title II Grant	Title II Grant	-----

Department of Education Rule 34 CFR 74.40-74.48 set forth the standards of procurement procedures for schools, including charter schools, when using Federal funds to enter into a contract for equipment or services. Those standards require Federal grant recipients to develop written procurement procedures and to conduct all procurement transaction in a manner to provide, to the maximum extent possible, open and free competition. No employee, officer, or

agent of the charter school may participate in the selection, award or administration of any contract supported by Federal funds if a real or apparent conflict of interest exists.

As stated earlier, GSOTA adopted a Procurement Policy and Procedures policy at the June 29, 2011 Governing Board Meeting.

On January 24, 2017, the OIG conducted an interview with Director Jeanne Benz. Director Benz was asked about GSOTA's procurement process and if a vendor bided procurement process was followed for the aforementioned Professional Service Providers and she stated, she did not know because R. Shane Vander Kooi was the founder. Director Benz stated she doubts if GSOTA used a vendor bided procurement process during the initial years of the Charter. Director Benz stated the contracts were awarded based upon the individual's history with the school, knowledge, and expertise specific to their Charter. The OIG asked if GSOTA had a written contract with the Children's Academy at Covenant, Inc. and she stated no, The Children's Academy came before GSOTA.

Findings: GSOTA may have entered into professional service contracts with the following Professional Service Providers; Five K Financial, ACCELLEARN LLC o/b Green Mouse Academy, and Matthew Roncace without adhering to the Department of Education Rule and their own internal Procurement Policy. **See Exhibit 36.** GSOTA also conducted business with The Children's Academy at Covenant, Inc. without adhering to the aforementioned regulation, rule or internal procedures.

At the June 29, 2011 GSOTA Governing Board Meeting all of the aforementioned Professional Service Providers, with the exception of The Children's Academy at Covenant, Inc., were appointed/awarded a Professional Service Contract without participating in a competitive solicitation process. Since GSOTA receives Federal Funding, GSOTA should utilize a competitive solicitation process for contracted services sought.

8. School Expansion

8A. On **December 8, 2016** the OIG conducted a site visit at GSOTA. The purpose of the visit was to tour the school's facility and discuss the proposed school expansion. Present during the visit was Director of Operations Jeanne Benz and Attorney Gary O'Donnell. During the visit the OIG learned the following:

The current student enrollment for 2016/2017 is currently between 320 and 325. Full capacity is 364 students.

Tour and OIG Observation Areas of the Church currently being utilized by the School.

The Church interior rooms have been converted into classrooms. I observed the following:

- Six (6) classrooms being utilized by primary students (K-2).
- One (1) speech therapist office that served also as the supply room.
- One (1) ESE classroom
- One (1) teachers' lounge
- One (1) classroom (#314) utilized by intermediate students (3rd) grade. According to Director Benz this is one of the classrooms the School hopes to move into the new building. Inside the room the OIG observed the students engaged with instructions. All of the students were working on laptops.
- One (1) classroom being utilized by middle school students (6th – 8th) grade. According to Director Benz this is another one of the classrooms the School hopes to move into the new building.
- One (1) 5th grade classroom
- One (1) 4th grade classroom. According to Director Benz this is a classroom the School hopes to turn into a lab. Director Benz stated the School need to add a 3rd, 4th 5th and 8th grade classroom.
- Art Class is currently being held inside a corner of the Church sanctuary. Director Benz stated this make-shift classroom is set up on Mondays and broken down on Fridays.
- Computer Lab is currently being held upstairs on the second floor of the Church sanctuary.
- Ancillary Building is currently being utilized by five (5) middle school classes.
- The science and robotics class is currently being held upstairs of the ancillary building.
- The first floor of the ancillary building is serving a dual purpose; the cafeteria and physical education field on the days it rains.

School Expansion Continued

The OIG posed the following questions to Director Benz and received the following responses:

Question(s):

1. Describe the School's proposed expansion?

Response:

- Phase I Building "C" will consist of four (4) classrooms
- Phase II Building "D" will consist of two (2) classrooms
Building E will consist of one (1) classroom

On 12/09/2016 Director Benz provided the OIG with the following:

- Photos of the current property, sites of buildings
- Artist's rendering on the new site plan and buildings

2. Who owns the land slated for the School Expansion?

Response:

The Church (Covenant Centre Inc.,) owns the land, they are securing the financing for the new buildings. The Church will build the new buildings and the School will then lease space from the Church.

3. Does the School have a written agreement with the Church for the expansion of the school?

Response:

Nothing formalized – verbal agreement. GSOTA can get a written agreement from the Church if needed.

4. Who will be responsible for the cost related to the expansion?

Response:

The Church is financing the structure. The School would under write any improvements for the School. The School has paid for the preliminary expenses thus far out of capital outlay and surplus funding. There are no prohibited provisions for using FEFP funds for school expansions. So far, the School has paid for site plans, land surveys etc. The School has ended up in a strong financial position because the Church did not charge the School any utilities for 5 years during the original rental lease agreement.

5. How much revenue has been spent thus far towards the School's expansion?

Response:

A significant amount. I will have the Bookkeeper run the numbers and provide you with the amount. The amount spent thus far does not surpass legal limits and is not against Charter prohibition.

On December 9, 2016 Director Benz provided the OIG with a document detailing revenue spent thus far totaling \$133,796.06 as of November 30, 2016.

6. What has been the source of funding for the (preliminary costs)?

Response:

Capital outlay dollars and excess funding. Again, nothing within law and charter that says FEFP could not be used.

7. Why did you all decide to expand?

Response:

It has always been the goal of the School to go up to full charter capacity of 364 students. Due to increased student enrollment the expansion is needed to accommodate the students.

8. Where the plans approved by any Government entity?

Response:

Yes, Palm Beach County—we are in an unincorporated area.

Additional Comments:

Director Benz provided the OIG with a copy of the following documents:

- School climate survey—School year 2016-2017 See Exhibit 22.
- A written explanation of GSOTA Use of Facilities and Lease Payment Schedules See Page 18

Additional comments:

From the OIG's observation the School has taken over the majority of the Church's available space. With continued student growth and increased enrollment, the School expansion appears to be justifiable.

Florida Statute 1013.62 (3) Charter Schools Capital Outlay Funding does not prohibit GSOTA from utilizing capital outlay funding for the expansion.

For details of the proposed school expansion. See Exhibit 23.

8B. Did GSOTA fail to notify the District regarding their proposed school expansion?

Section 5: Facilities, subsection C) Location, paragraph 3) Relocation, page 44, of the Charter School Contract between The School Board of Palm Beach County, Florida and GSOTA states, *"The school shall not change or add facilities or locations at any time during the term of this Contract without prior notice to the Sponsor."*

The School Expansion was also discussed at the October 8, 2012 (See Exhibit 27) and the December 10, 2012 (See Exhibit 28) GSOTA Governing Board Meetings.

As mentioned earlier in this report, the OIG reviewed information from the Florida Department of Education related to --GSOTA's Charter School Capital Outlay Application for school years 2014-2015, 2015-2016 and 2016-2017.

For FY 2014-2015, GSOTA indicated they would utilize capital outlay funds for the following:

- Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e. mortgage or rent)
- Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term of 5 years or longer.
- Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.

The 2014 Capital Outlay Plan does not indicate it was Certified by the District. It does indicate that school district representative Miriam Williams acknowledged the school is meeting student performance measures included in the approved charter. It further indicated *"Pending Decision-We are unable to make a determination of financial viability since the audit reports are not available for FY14 until September 2014."* See Exhibit 29.

For FY 2015-2016, GSOTA indicated they would utilize capital outlay funds for the following:

- Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e. mortgage or rent)
- Purchase of vehicles to transport students to and from the charter school.
- Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term of 5 years or longer.
- Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.

This 2015 Capital Outlay Plan was certified by school district charter school principal Ariel Alejo on: 08/03/2015. See Exhibit 30.

For FY 2016-2017, GSOTA indicated they would utilize capital outlay funds for the following:

- Construction of school facilities.
- Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e. mortgage or rent)

- Purchase of vehicles to transport students to and from the charter school.
- Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term of 5 years or longer.
- Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.

This 2016 Capital Outlay Plan was certified by school district charter school principal Ariel Alejo on: 08/04/2016. See Exhibit 31.

Findings: Although, according to Director Pegg, GSOTA did not officially notify the District of their intent to change or add facilities or locations (expansion), GSOTA did indicate on their 2014-2016 Capital Outlay Application(s) their intent to purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e. mortgage or rent) and construction of school facilities. District representatives Ariel Alejo Certified the Capital Outlay Plan for 2015 and 2016 and Miriam Williams acknowledged the 2014 Capital Outlay Plan submitted by GSOTA.

9. A review of Student Fees GSOTA are charging students.

Section 4: Financial Accountability, subsection (A) Revenue, paragraph (D) (1) Allowable Student Fees page 35 of the Charter School Contract between The School Board of Palm Beach County, Florida and GSOTA states, " Use of Student Fees: The school shall not charge fees, except those fees normally charged by the Sponsor or as allowed by law. Fees collected must be allocated directly to, and spent only on, the activity or material for which the fee is charged.

The OIG reviewed GSOTA's official website and found the following online payments/fees posted:

Account Balances

"To submit an electronic payment toward your child's account, select the "Pay Now" button below and specify the exact amount you wish to pay via credit or debit card. Please do not forget to list your student's name in the "Description" line when completing the payment form".

Annual Technology Payment

"Instructional materials (books, technology devices, equipment, materials and supplies) are costly and all students are responsible for the proper care and use of the materials they are given. Unless otherwise directed, students must not write in textbooks. Charges will be made for damaged or lost books, technology devices and equipment and/or school materials. Students will not be granted transfers prior to returning all books, equipment, materials, in addition to paying any fees owed to the school when due."

"Parents can submit the \$50 Annual Technology/Projects donation by clicking [here](#)."

On January 24, 2017 during an interview with the OIG, Director Benz stated the “annual technology payment” is a voluntary donation request that the School ask parents to assist with projects. Director Benz stated the requested donation is similar to the donation that is requested of parent for school supplies. Director Benz stated the donation is strictly voluntary and no child is penalized if the parent cannot afford to pay.

Florida Statue 228.061, allows Principals to request that students voluntarily purchase certain items or voluntarily pay to participate in an activity, which may aid in their learning.

Before/Aftercare School Care Payments

“To submit payment toward your child’s attendance in Before School Care and/or After School Care, please select the “Pay Now” button below and specify the exact amount you wish to pay via credit or debit card. Do not forget to list your student’s name in the “Description” line when completing the payment form”.

Florida Statute 228.061, allows tuition charges for preschool programs, prekindergarten early intervention programs and school-age child care programs.

BSC/ASC Registration (Before and/or Aftercare Programs)

“A completed registration form and \$25.00 registration fee are required to reserve a student’s spot in Before and/or Aftercare Programs. The \$25.00 registration fee is non-refundable and non-transferable. Registration is on a first-come, first-serve basis, based on space availability.

Please select the “Buy Now” button to submit a payment online for your student’s before/aftercare registration. Be sure to list your student’s names(s) in the “Description” line when completing the payment form.”

Florida Statute 228.061, allows tuition charges for preschool programs, prekindergarten early intervention programs and school-age child care programs.

Late Fees

“To make one or more \$10.00 late fee payments, please click below: ”

On January 24, 2017 during an interview with the OIG, Director Benz stated the “late fees” were not related to the school. Director Benz stated the “late fees” are accessed to parents for students participating in before and/or aftercare programs. Director Benz stated a \$10 fee is accessed if payment is not received by the 10th of the month.

Florida Statute 228.061, allows tuition charges for preschool programs, prekindergarten early intervention programs and school-age child care programs

Volunteer Hours

“Every day we have parents and community partners assist us with everything from photo-copying to networking. All of our parents have a quota of hours to serve each school year.”

Below are several ways to be involved as a volunteer..... under Parent Commitment: Annual Volunteer Hours : 1 student enrolled: 20 hours (single parents 12 hours); 2+ students enrolled: 30 hours (single parents 18 hours)...

“If necessary, you may donate \$10 to earn 1 volunteer hour credit, \$20 to earn 2 volunteer hour credits, etc. These can be purchased here:”

On January 24, 2017 during an interview with the OIG, Director Benz stated the “volunteer hours”, are again strictly voluntary and are a part of the family contract. Director Benz stated the school was going to take the “volunteer hours” out of the family contract because not many parents participated. Dr. Benz stated, however, some of the parents wanted them to keep it in the family contract, as an option because some parents wanted to support the school but could not physically show up and volunteer hours, however, they could contribute financially. Director Benz stated the donation is strictly voluntary and no child is penalized if the parent cannot afford to pay.

Findings:

The OIG did not find any language on GSOTA’s website that informs student parents or legal guardians that (1) no penalty of any type will be imposed against the student based upon a failure to pay; (2) no student shall be denied the right to participate for failure to pay; (3) the principal may forego a planned activity or use of a particular item based upon the collection of insufficient funds to cover the cost of the item or activity; and (4) this request is for a voluntary payment.

GSOTA may want to include some “clearly” stated language associated with student fees and the parent’s ability to not pay, as detailed in School Board Policy 2.21 School Requests of Payment from Students.

District Reviews of GSOTA Charter Program

School Board Policy 2.57 (8b) Renewal of Charter Contracts states, during the final year of a charter a charter school’s contract term, designated District staff will conduct a program review in order to determine whether a charter school meets the criteria for renewal as set forth in F.S. 1002.33(7)(a) & (b) as well as compliance with the existing charter provision.

The OIG reviewed the 2015-2016 Program Renewal Summary conducted by the Palm Beach School District Charter Department dated February 9, 2016 and did not note any significant deficiencies. Of the eleven categories rated, GSOTA’s review indicated meeting all areas with a partially meets

in two categories (1b) Curriculum and instruction-Literacy-Secondary and (9) Finance and Operations. See Exhibit 32.

Further, *School Board Policy 2.57 (7c) Ongoing Monitoring an Administrative Compliance* states, all charter schools are subject to monitoring through software and/or Sponsor personnel who are subject matter experts pursuant to applicable law. Visits, as deemed necessary by the District, may be made by the District personnel to observe operations and to provide technical assistance when applicable. The District shall at all times have access to the School's student records for legitimate educational purposes, including for FTE audits. *A mid-year and/or end-of-year review as determined by the Superintendent's designee shall be completed. The mid-year and/or end-of-year reviewers will review the academic, operations, governance and compliance of each charter school as well as its revenues, expenditures and financial status.*

On February 10, 2017, the OIG inquired of the School District's Charter School Department if the Charter Department conducted any mid-year and/or end-of-year reviews of GSOTA for the FY2011-2014 school years. On February 20, 2017, the Charter Department provided the OIG with the following information:

Mid-Year Review	Deficiencies Noted	End-of-Year Summary	Review	Deficiencies Noted/Corrected
FY2013-14 Exhibit 33	Category Areas: (1) Curriculum and Instruction (3) Assessment/Student Performance (10) ESE Services	FY2013-14 Exhibit 34		Category Areas: (1) Deficient (3) Compliant (10) Compliant
FY2014-15 Exhibit 35	Category Areas: (1) Curriculum and Instruction-Elem (11) ESE Services	FY2015-16 Exhibit 32		Category Areas: (1a) Elem- Compliant (3) ESE Services- Compliant

Final Site Visit

On January 24, 2017 the OIG conducted a final site visit at GSOTA. The purpose of the visit was to conduct interview regarding follow-up questions related to this investigation. Present during the meeting was Director of Operations Jeanne Benz, Attorney Gary O'Donnell, District Auditor

Christina Seymour and OIG Director of Investigations Angelette Green. The OIG wishes to thank GSOTA and its staff for its full cooperation throughout this investigation.

ACTIONS TAKEN:

In accordance with School Board Policy 1.092 (6) (iv), a draft copy of this report was provided to the GSOTA Board for review and comments. The affected parties were given an opportunity to respond.

The following Exhibits are attached for reference:

- Florida Lease Agreement between Covenant Centre International, Inc. (Landlord) and Gardens School of Technology Arts, Inc. (Tenant) (Term July 1, 2011- June 30, 2016) See **Exhibit 37**.
- Memorandum dated July 1, 2016 from FDOE related to the Distribution of Charter School Capital Outlay Funds Fiscal Year 2016-17 See **Exhibit 38**.

**THIS EXHIBIT IS AN
EXCERPT
FROM THE
OIG INVESTIGATION
FINAL DRAFT REPORT –
OIG #16-474
PROVIDED TO
GSOTA CHARTER
SCHOOL
FOR RESPONSE**



The school's student enrollment since July 1, 2011 have been as follows:

SY 2015-16		SY 2014-15		SY 2013-14		SY 2012-13		SY 2011-12	
Oct-15	Feb-16	Oct-14	Feb-15	Oct-13	Feb-14	Oct-12	Feb-13	Oct-11	Feb-12
273	266	224	236	218	229	171	171	136	131

Source: GSOTA Based on FTE Schedule (Survey 2 & 3)

Findings: Student Enrollment has increased steadily since inception.

2. FINANCIAL ACCOUNTABILITY REVIEW

School District Auditor Supervisor Christina Seymour, CPA, was asked to performed a review of the below specific areas related to financial accountability.

- Did GSOTA experience any financial emergencies as stipulated in Florida Statute 218.503?
- Reporting of Student Full Time Equivalent (FTE) Count and Revenue Verification
- Capital Outlay Funds
- Expenses related to the Lease Agreement
- Financial review of related party transactions for contracted Professional Services Providers

The scope of the OIG's financial review covered the time period of July 1, 2011 through August 31, 2016.

FINDINGS & CONCLUSIONS

2A. Did GSOTA experience any financial emergencies as stipulated in Florida Statute 218.503?

Financial Emergency. Per *Florida Statute §218.503(1)*, a financial emergency exists when any one of the following conditions occurs in a charter school's financial operations:

1. Failure within the same fiscal year, in which due, to pay short-term loans or failure to make bond debt service or other long-term debt payments when due, as a result of a lack of funds.
2. Failure to pay uncontested claims from creditors within 90 days after the claim is presented, as a result of a lack of funds.
3. Failure to transfer at the appropriate time, due to lack of funds:
 - a. Taxes withheld on the income of employees; or
 - b. Employer and employee contributions for:
 - i) Federal social security; or

- ii) Any pension, retirement, or benefit plan of an employee.
- 4. Failure for one pay period to pay, due to lack of funds:
 - a. Wages and salaries owed to employees; or
 - b. Retirement benefits owed to former employees.

Based on the OIG's review of GSOTA charter school's independent CPA's annual financial statement audit reports for FY 2012 through FY 2016, GSOTA did not meet any of the conditions described in *Florida Statute §218.503(1), Financial Emergency*.

No exceptions noted.

2B. Reporting of Student Full Time Equivalent (FTE) Count and Revenue Verification

FEFP Funding & FTE Mid-Year Counts

GSOTA's *Charter Contract*, specifically *Section 4.A.1.a "Financial Accountability,"* provides that the primary basis for funding for the charter school's operations is its proportionate share of funds from the "*Florida Education Funding Program – FEFP.*" At the start of a charter school's operations, Full Time Equivalent (FTE) is based on the charter school's projected student enrollment. Once the school year begins, FTE is revised based on actual counts of student enrollment and attendance during an eleven (11) day, Florida Department of Education (FDOE) specified, FTE survey period taken in October and February of each school year.

Additionally, charter schools are required to report its student enrollment to its Sponsor, (i.e., the District) in accordance with the policies and procedures specified in *Florida Statute §1011.60, "Minimum requirements of the Florida Education Finance Program - FEFP."* For example, the charter school is required to use the District's electronic data processing system and procedures for the processing of student enrollment, attendance, FTE collection, etc.

The provisions of *Florida Statutes §1011.62, "Funds for operation of schools,"* requires the District to report the number of full-time equivalent (FTE) students and related data to the FDOE for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods, as previously stated above.

FEFP Funding Received by GSOTA

For FY2011 - 12 through FY2015 -16, the OIG reviewed the amount of FEFP funds the School District paid to GSOTA based on the charter school's student count. **Table 1** below summarizes the total FEFP funds the GSOTA charter school received for the period reviewed.

Table 1

FEFP PAYMENTS ISSUED TO GSOTA		
YEAR #	FISCAL PERIOD	TOTAL PAID
1	FY 2011 -12	\$ 745,547.00
2	FY 2012 -13	1,013,891.00
3	FY 2013 -14	1,387,738.00
4	FY 2014 -15	1,458,219.27
5	FY 2015 -16	\$ 1,737,663.11

Accuracy of FTE Counts for GSOTA

For School Year (SY) 2011 - 12 through SY 2015 -16, the OIG verified the accuracy of the mid-year student attendance counts by comparing the FTE counts provided to the OIG by GSOTA to the "Enrollment Summary" records in the District's TERMS database. Our objective was to verify that GSOTA did not over-report FTE student attendance counts and ensure GSOTA's FTE revenues were computed correctly.

Table 2 below summarizes the FTE counts for students attending GSOTA charter school for the SY 2011 -12 through SY 2015 - 16 as noted in the District's TERMS database:

Table 2

GSOTA FTE STUDENT COUNTS		
FISCAL YEAR	OCTOBER MID-YEAR COUNT	FEBRUARY MID-YEAR COUNT
2011 - 2012	136	131
2012 - 2013	178	178
2013 - 2014	234	229
2014 - 2015	234	236
2015 - 2016	273	266

Based on inquiry of Distract staff and review of GSOTA's enrollment count records in TERMS, GSOTA's FTE was accurately reported for the FY 2012 through FY 2016.

No exceptions noted.

2C. Capital Outlay Funds Received by GSOTA Charter School

Charter School Capital Outlay funds are annually allocated to eligible charter schools by the Florida Commissioner of Education. The funding received under this program are based on the School's actual and projected student enrollment during the fiscal year.

Each year the Florida Department of Education (FDOE) releases an online application, which eligible charter schools must complete and submit to FDOE. The charter school's sponsor is required to review the application and provide a recommendation to the FDOE Department. The Commissioner of Education makes the final eligibility determination for a given charter school.

Florida Statute §1013.62, "Charter Schools Capital Outlay Funding," governs the appropriation and use of capital outlay funding for those charter schools which meet the eligibility criteria set forth in the Florida Statutes. This statute establishes the criteria a charter school is required to meet in order to be eligible to receive capital outlay funds. The School must:

1. Have been in operation for 2 or more years.
2. Be governed by a governing board established in the state for 3 or more years, which operates both charter schools and conversion charter schools within the state.
3. Be an expanded feeder chain of a charter school within the same school district that is currently receiving charter school capital outlay funds.
4. Have been accredited by the Commission on Schools of the Southern Association of Colleges and Schools.
5. Have an annual audit that does not reveal any of the financial emergency conditions provided in s. 218.503(1) for the most recent fiscal year for which such audit results are available.
6. Have satisfactory student achievement based on state accountability standards applicable to the charter school.
7. Have received final approval from its Sponsor pursuant to *Florida Statute 1002.33, Charter Schools*, for operation during that fiscal year.
8. Serve students in facilities that are not provided by the charter school's sponsor.

Florida Statute §1013.62(a) states a charter school's governing body may use charter school capital outlay funds for the following purposes:

1. Purchase of real property.

2. Construction of school facilities.
3. Purchase, lease-purchase, or lease of permanent or relocatable school facilities.
4. Purchase of vehicles to transport students to and from the charter school.
5. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer.
6. Effective July 1, 2008, purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support school-wide administration or state-mandated reporting requirements.
7. Payment of the cost of premiums for property and casualty insurance necessary to insure the school facilities.
8. Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

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We reviewed the FDOE's Office of Independent Education & Parental Choice website and verified that the charter school, "Gardens School of Technology Arts, Inc. – GSOTA," submitted "Charter School Capital Outlay" applications for three (3) consecutive years to the FDOE. A review of these applications indicated that GSOTA intended to use the capital outlay funds for statutorily authorized purpose, as documented in **Table 3** below:

Table 3

TYPES OF EXPENSES GSOTA INDICATED	
CAPITAL OUTLAY FUNDS WOULD BE USED FOR ²	
FY	Description of expenditures to be paid for with Capital Outlay \$
2014	<ol style="list-style-type: none"> 1. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 2. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 3. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities. <i>See Exhibit 29</i>
2015	<ol style="list-style-type: none"> 1. Construction of school facilities 2. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 3. Purchase of vehicles to transport students to and from the charter school. 4. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 5. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities. <i>See Exhibit 30</i>
2016	<ol style="list-style-type: none"> 1. Construction of school facilities. 2. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 3. Purchase of vehicles to transport students to and from the charter school. 4. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 5. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities. <i>See Exhibit 31</i>

² Information is based on GSOTA's FDOE Capital Outlay Fund Applications for FY 2014, FY 2015 and FY 2016.

Table 4 below provides a summary of each of GSOTA's capital outlay funding applications submitted to the FDOE and the amount of capital outlay funds the charter school received for FY 2014-2015, FY 2015-2016 and FY 2016-2017:

Table 4

SUMMARY OF GSOTA CAPITAL OUTLAY APPLICATIONS & FUNDING AS APPROVED BY FDOE ³				
FY	Date Plan Submitted	Date Certified by District	Date Certified by FDOE	Capital Outlay Funds
2014-2015	04/25/14	-	08/27/14	\$ 71,742
2015-2016	07/01/15	08/03/15*	08/31/15	39,516
2016-2017	07/12/16	08/04/16*	09/17/16	87,983 ⁴
			TOTAL	\$ 199,241

* The 2015 and 2016 Capital Outlay Plans were Certified by school district charter school principal Ariel Alejo. The 2014 Capital Outlay Plan was acknowledged by school district representative Miriam Williams.

Actual Total Capital Outlay Funds Received per District Records

OIG obtained a schedule of all monthly capital outlay payments from the District's Accounting Services Department and determined that GSOTA received a total of \$143,830 in capital outlay funding for FY 2014-2015, FY 2015-2016 and FY 2016-2017 as of November 1, 2016.

³ Source of information: FDOE's "Office of Independent Education & Parental Choice" website.

⁴ Source of Information: FDOE 2016-17 Charter School Capital Outlay Disbursements. Per FDOE website, GSOTA's total estimated allocation for FY17 capital outlay funds is \$87,983 as of February, 2017.

Table 5 below provides a detail breakdown of the capital outlay funds disbursed to GSOTA by the School District:

Table 5

FY	Capital Outlay Funds Issued to GSOTA By the District
2015	\$ 71,742
2016	39,516
2017	32,572 ⁵
TOTAL	\$ 143,830

GSOTA's *Charter Contract*, dated May 18, 2011, addresses charter school capital outlay funds in *Section 4: Financial Accountability, (A) Revenue, (4) Charter School Capital Outlay Funds*. Specifically, the Charter Agreement states as follows:

"Application: The Charter School may be eligible for school capital outlay funding as per sections 1002.33(20), and 1013.62, F.S. Prior to release of capital outlay funds from the Sponsor to the Charter School, the Charter School must provide the Sponsor a capital outlay plan with proposed capital expenditures. If the charter school is non-renewed or terminated, any unencumbered funds and all equipment and property purchased with public funds shall revert to the ownership of the Sponsor as provided for in Section 1002.33(8)(e), F.S."

On December 16, 2016, the OIG inquired of the District Charter School Department as to whether the District had received capital outlay plans with proposed capital expenditures from the GSOTA charter school. We were informed that the Charter School Department does not maintain Charter School Capital Outlay Funding applications nor does the department have records from GSOTA for capital outlay plans or related expenditures.

2D. Expenses related to the Lease Agreement

On July 1, 2011, GSOTA entered into a Lease Agreement with CCI to lease space for GSOTA's charter school facility. The school is located within the confines of the CCI church property and therefore both entities share the same property address of 9153 Roan Lane, West Palm Beach, FL 33403.

⁵ As of January 2017

The Lease Agreement spanned the 5 year period of July 1, 2011 through June 30, 2016, coinciding with the original GSOTA Charter Agreement's five-year term. The agreement reflects a tier payment system to CCI church for its school facilities where the first year monthly payments totaled \$9,166.67, totaling \$110,000 annually. The remaining four years, monthly payments totaled \$10,833.33, totaling \$129,999.96 annually (\$519,999.84 over 4 years). Thus, the total cost to lease GSOTA's charter school facilities from CCI church for the original 5-year Lease Agreement was \$629,999.

OIG Analysis of Lease Payments to CCI from GSOTA Charter School

For the period of July 1, 2011 through August 31, 2016, a total of **\$691,719.88** was paid to CCI church by GSOTA for its school facility lease. **Table 6** below summarizes the OIG's analysis of the annual lease payments GSOTA paid to CCI church to rent the charter school's facilities located within the CCI church's premises.

Table 6

FISCAL YEAR	PAYEE	TOTAL LEASE PAYMENTS
2011 – 2012	CCI Church	110,000.04
2012 – 2013	CCI Church	129,999.96
2013 – 2014	CCI Church	140,833.29
2014 – 2015	CCI Church	129,999.96
2015 – 2016	CCI Church	119,166.63 under by (10,833.33)
2016 – 2017	CCI Church	61,720.00 ⁶
TOTAL		\$691,719.88

Deleted pp. 10 - 13 of "audit report." See Exhibit C pp. 11 - 13.

(*)

Additionally, the OIG reviewed the corresponding cancelled check payments and noted that "Jeanne Benz," Director of Operations for GSOTA and a member of CCI Church's **worship** team, signed 11 of the 27 check payments issued to CCI Church in calendar year 2012. See Exhibit 1A.

Analysis of GSOTA Payments to CCI Church Classified as "Other Expenses"

The OIG reviewed GSOTA's accounting records to determine the nature of expenditures categorized as "Other Expenses," which were paid to CCI church. Based on our review, the majority of "Other Expenditures" were for payments to CCI church for telephone utilities and janitorial services; school facility expansion; and charter school improvements such as repair of doors, construction of classroom walls, landscaping, etc. **Table 8** below summarizes the results of the OIG's analysis "Other Expenditures" paid to CCI church by GSOTA charter school.

⁶ On July 1, 2016, GSOTA issued two check payments to CCI Church: \$21,910 and \$17,900. On August 1, 2016, GSOTA paid \$21,910 CCI Church. All three check payments had dual signatures from GSOTA Governing Board Members.

(*) See pp. 10-13 of Exhibit C. "Use of Public Funds for Religious purposes" = DELETED. (i.e. \$135,535 in "RENT" PAID AS "TITHES")

TABLE 8

FY	PAYEE	EXPENSE TYPE	TOTAL AMOUNT
2012 - 2016	CCI Church	Telephone / janitorial	\$ 53,900.36
2015 - 2016	CCI Church	School facility expansion	51,945.80
2012 - 2015	CCI Church	School repairs / improvements	50,349.44
2015	CCI Church	School Banner & Play Bill Ad	497.50
2014 - 2016	CCI Church	<i>Unknown – missing invoices</i> ⁷	23,331.30
		TOTAL	\$ 180,024.40

Missing Invoices

The OIG searched through all the supporting documents provided by GSOTA charter school and was unable to locate invoices for three (3) payments categorized as “Other Expenses” and paid to CCI church:

	<u>DATE</u>	<u>PAYMENT AMOUNT</u>	<u>CHECK NO.</u>
1.	06/05/2014	\$14,350.00	2149
2.	06/01/2015	\$3,120.00	11167
3.	08/24/2016	\$5,861.30	7269

On April 3, 2017 as part of their written response, GSOTA provided the OIG with the aforementioned “missing invoices”. See GSOTA’s Exhibit #1.

Findings: Violation of Lease Agreement for GSOTA Charter School Facility Lease – Utilities

Article X., Utilities, of the Lease Agreement effective July 1, 2011 through June 30, 2016 states the following as it pertains to the Landlord’s responsibilities for utility costs:

“Landlord shall be responsible for and pay all the utility fees used by, and directly related to the Leased Premises such as water, sewer, gas, electricity, phone service, internet service and trash removal service while in possession of the same during the Term of this Lease unless otherwise expressly agreed in writing by Tenant.”

Based on the OIG review of GSOTA’s supporting documentation, we noted that CCI church issued a monthly statement to the charter school which invoiced GSOTA for telephone service, the cost of cleaning supplies and the associated labor for the charter school facilities. For FY 2012 through FY 2016, GSOTA paid CCI church a total of \$53,900 for these expenditures. Given

⁷ The OIG could not find invoices for three payments to CCI church: \$14,350 on 06/05/2014; \$3,120 on 06/01/2015; and \$5,861.30 on 08/24/2016.

the OIG was not provided with written documentation that the charter school agreed to pay CCI church for utility fees and trash removal, the OIG questions why GSOTA paid for these costs.

Other Expenses Reviewed

Total Costs of \$11,539 for Architect & Engineer Consultant Agreements passed through to GSOTA by CCI Church

The OIG reviewed a Proposal for Professional Services submitted by the engineering firm of "Simons & White, Inc." (Consultant) to CCI (Client), which was dated April 9, 2015 and addressed to Erik Benz. The scope of services included site plan changes and engineering related issues for a drainage report with a total cost of \$700. The Proposal was accepted and signed by Erik Benz, as Director for CCI on April 9, 2015. **See Exhibit 2.**

The OIG reviewed a second fee estimate submitted to CCI on April 14, 2015 from the landscape architect firm of "Cotleur & Hearing Landscape Company." The fee estimate was emailed to Erik Benz by Cotleur & Hearing with an attached itemization of the services to be provided and the associated fees, which totaled \$10,838.58. Per the email from Cotleur & Hearing, CCI church was instructed to make its payment payable to "PBC BOCC" (i.e. the Palm Beach County Board of County Commissioners.) **See Exhibit 3.**

Based on review of GSOTA's accounting records and supporting documentation, the OIG found Invoice 903 from CCI church to GSOTA dated April 14, 2015, which requested GSOTA to pay CCI church a total of \$11,538.58 for land development and engineering fees. **Table 9** below provides a detailed breakdown of CCI church's Invoice 903 to the charter school. **See Exhibit 4.**

TABLE 9

Qty.	DESCRIPTION	UNIT PRICE
1	Land Development Application Fee for Fees associated with Application for Rezoning as per Palm Beach County Board of County Commissioners and Palm Beach County Building & Zoning (<i>Cotleur & Hearing</i>)	\$ 10,838.58
1	Engineering Fees for Drainage Report (<i>Simons & White</i>)	700.00
	TOTAL	\$ 11,538.58

Below are the areas/uses and square footage of the various programs as indicated in the planning documents of "Cotleur & Hearing Landscape Company" as submitted to Palm Beach County.

<u>AREA/USES</u>	<u>SQUARE FOOTAGE (SF)</u>	<u>% of TOTAL</u>
1. Place of Worship	6,986 SF	20%
2. Daycare	1,302 SF	4%
3. Charter School	20,260 SF	56%
4. Accessory	<u>7,052 SF</u>	<u>20%</u>
TOTAL SQUARE FOOTAGE	35,600 SF	100%

See p. 16 of Exhibit C.



3. GOVERNANCE ACCOUNTABILITY REVIEW

The OIG examined the following areas related to governance accountability:

3A. Governance Board Training

Florida Administrative Rule 6A-6.0784 Approval of Charter School Governance Training Section (1) (b) states, "Each governing board member must complete a minimum of four (4) hours of instruction focusing on government in the sunshine, conflicts of interest, ethics, and financial responsibility as specified in Section 1002.33 (9)(k), F.S. After the initial four (4) hour training, each member is required within the subsequent three (3) three years and for each three (3) year period thereafter, to complete a two (2) hour refresher training on the four (4) topics above in order to retain his or her position on the charter school board. Any member who fails to obtain the two (2) hour refresher training within any three (3) year period must take the four (4) hours of instruction again in order to remain eligible as a charter school board member" and Section (1) (c) states, "New members joining a charter school board must complete the four (4) hour training within 90 days of their appointment to the board."

Section 8: Governance subsection (B) Governing Board Responsibilities paragraph (12) Governance Training of the charter contract between The School Board of Palm Beach County, Florida and Gardens School of Technology Arts states, "The School's governing board members shall participate in charter school governance training, facilitated by the Sponsor or an approved Florida Department of Education vendor, pursuant to state law."

Based upon information provided by GSOTA, the OIG conducted an analysis of the governance board training and compiled the below chart:



Gardens School OF TECHNOLOGY ARTS

Educating Young Innovators for the 21st Century

April 3, 2017

Mr. Lung Chiu, Inspector General
School District of Palm Beach County
3318 Forest Hill Blvd., Suite C-306
West Palm Beach, FL 33406

RECEIVED
APR 03 2017
INSPECTOR GENERAL

Re: Office of Inspector General, Case No. 16-474

Dear Mr. Chiu:

It was a pleasure working with the personnel conducting the investigation and having the opportunity to provide all documents/information requested and answer all questions asked.

The Governing Board, administrators, faculty and staff of Gardens School of Technology Arts work very hard on a daily basis toward accomplishing our charter school's unique educational mission as well as remaining compliant with all applicable laws, rules, and regulations. We have an admirable track record with regard to our compliance, our financial accountability and stability, and our reputation in the community.

We respectfully submit the attached Response to the Preliminary Investigative Report from the Office of Inspector General, School District of Palm Beach County, Case No. 16-474.

Sincerely,

Debra Moore
Governing Board Chair

cc: Angelette Green, Director of Investigations
Elizabeth McBride, Esq.
Garry O' Donnell, Esq.
Kathleen Schoenberg, Esq.

GSOTA Response to OIG Report #16-474**Submitted April 3, 2017****COMPLAINTS**

Attorney Denise Sagerholm and Jim Pegg, Charter School Director, reported to the Office of Inspector General that Gardens School of Technology Arts (GSOTA) may have violated the terms of the current charter contract by entering into a 15-year lease agreement. Attorney Sagerholm speculated that there may have been some "questionable business/management relationships" between GSOTA and its landlord. Attorney Sagerholm believed that there may have been conflicts of interest with vendors of the school. Mr. Pegg asserted that GSOTA failed to inform the School District of Palm Beach County (District) of the expansion of its facilities. Attorney Sagerholm reported that capital outlay funds may have been used inappropriately for the facility expansion.

FINDINGS AS TO COMPLAINTS

The Office of Inspector General (OIG) conducted a comprehensive review, which took place over approximately seven months and included a review of well over 1,000 documents over five years, site visits and interviews with GSOTA staff. The OIG concluded that none of the complaints described above were substantiated. The OIG made minor findings which are addressed in this response.

SUMMARY OF AREAS OF REVIEW AND**GSOTA RESPONSE**

The OIG investigation included a review of the following areas. The results of the investigation of each area are indicated in bold:

1. Academic Accountability. OIG noted consistent school grades and steady increase in enrollment: **NO FINDINGS.**

2. Financial Accountability.

2A. OIG concluded GSOTA did not experience any financial emergencies: **NO FINDINGS.**

2B. OIG concluded that GSOTA accurately reported FTE and verified that revenue received by GSOTA was accurate: **NO FINDINGS.**

2C. OIG concluded that GSOTA used capital outlay funds for statutorily authorized purposes: **NO FINDINGS.** *See Discussion 2C on page 5.*

2D. Expenses related to lease agreement

- a. **FINDING:** GSOTA overpaid utilities by \$53,900.
RESPONSE: (1) GSOTA acknowledges, due to an oversight of the lease language, payments were made totaling \$13,575 (not \$53,900) over the five years of the original lease for phone and trash removal. The landlord has verbally agreed to credit GSOTA for this amount out of future lease payments, and the parties are working towards a lease amendment to reflect this. (2) The remaining \$40,325 represented cleaning services and supplies. These services are not listed as included utilities in the lease, nor was it ever the intent of the parties that the landlord would pay for GSOTA's cleaning needs. A separate verbal agreement for cleaning between the parties was reflected in the monthly billing statements referenced in the OIG report.
- b. **NO FINDINGS.** Report takes no issue regarding payments from GSOTA for architect and engineer consultant agreements related to facility expansion. In fact, the report correctly states that Florida law does not prohibit GSOTA from utilizing capital outlay funding for these purposes.
- c. **NO FINDINGS.** While not drawing any conclusions, the report notes that Jeanne Benz signed checks to the landlord while also being a member of Covenant Centre's "leadership team". This language is not accurate and it is unclear from where this terminology came. Jeanne Benz has no authoritative or decision-making capacity at Covenant Centre and is simply a member of the pastoral team available to members of the congregation in their time of need. Additionally, checks signed by Jeanne Benz to Covenant Centre were those which required two signatures and were made in accordance with the lease.
- d. **NO FINDINGS.** Report lists three missing invoices. Documentation related to these invoices is attached in *Exhibit 1*.

3. Governance Accountability

3A. Governance Board Training. **FINDING:** Governing board members did not strictly adhere to the required mandate. **RESPONSE:** GSOTA has met this requirement. Please see certificates attached as *Exhibit 2*, which rebut this finding in its entirety. Note also that this area was deemed "compliant" in GSOTA's previous mid-year reviews (See, e.g., OIG Report Exhibit 32, page 334, Exhibit 33, page 364).

3B. Governance board member conflict of interest. **FINDING:** Board member Jon Andio provided electrician services to school and was improperly compensated for those services. **RESPONSE:** See *Discussion 3B on page 6* which rebuts this finding in its entirety.

3C. Board member conflict of interest statements. **FINDING:** GSOTA may be in violation of its own policy and contract with the School Board. **RESPONSE:** See *Discussion 3C on page 7*.

3D. Background check screening for board members. **FINDING:** GSOTA did not adhere to the background check requirements for board members. **RESPONSE:** GSOTA has complied with the required background checks. See *Exhibit 3* which rebuts this finding in its entirety.

3E. Fingerprints and background screening for employees. **NO FINDINGS.**

4. Lease analysis comparison

The Report notes that GSOTA is paying below-market rent (page 28). **NO FINDINGS.**

5. Whether GSOTA violated the terms of the contract by entering into a 15-year lease

GSOTA has stated numerous times, both in conversations with School District attorneys and in correspondence, that it has not violated its current charter. It is also worth noting that GSOTA requested that the School District mediate this matter as described in Section 1002.33(5)(h), F.S. **The School District refused to engage in mediation**, yet continued to assert that GSOTA was in violation of its charter.

The OIG did not feel the need to opine on whether there was a violation because the parties will be operating in the future under a renewal contract. **NO FINDINGS.**

6. Relationship between the landlord and GSOTA. **NO FINDINGS.** The OIG makes no conclusions or findings that GSOTA has engaged in any activity in violation of Florida law or its charter. However, since the report dedicates three full pages to this topic, it may lead the reader to infer that there are inappropriate relationships. GSOTA contends this is not the case.

The OIG cites F.S. 1002.33(7)(a)(18) and 1002.33(10) with emphasis on certain language, implying areas of potential violation at GSOTA. However, GSOTA is compliant with all cited statutory requirements. The OIG further details the familial relationships between an employee of the school, a contractor of the school, and the landlord. A close examination of these relationships reveals that they exist within the bounds of both Florida law and the charter contract.

For example, The Children's Academy at Covenant is noted as being incorporated by Judy Benz and Jeanne Benz; however, its existence is irrelevant to the publicly funded operations of GSOTA. In addition, Erik Benz is noted as serving as an officer of the landlord; however, nothing in Florida law prohibits this, as he is neither an employee nor a board member of GSOTA.

The relationship chart on page 36 attempts to make connections between and among individuals. None of the activities of the persons listed on the relationship chart violate Florida law. Any implication that these relationships are improper or conflicted is false.

7. IG reviewed business relationships between GSOTA and professional service providers.

7A. GSOTA contract with Five K Financial. **NO FINDINGS.**

The report states that the “charter school’s system of internal controls is at risk for being circumvented.” GSOTA strongly disputes this statement. The OIG reviewed the school’s contract with Five K Financial, owned by Erik Benz. As described in the OIG report (page 38), Mr. Benz’s role with the school is purely advisory in nature. He has no control over school personnel, no decision-making authority, and no authority to assign or expend funds. He was retained by and reports directly to the board of directors, and his advice as a founder of the school is valuable to the board. Florida’s charter school statute which addresses the employment of relatives has no bearing on the fact that his spouse serves as the Director of Operations. Additionally, Erik Benz’s and Jeanne Benz’s respective responsibilities do not allow for nor facilitate a circumvention of internal controls.

The report highlights six (6) checks signed by Jeanne Benz to Five K Financial but erroneously states that she was Director of Operations at the time (she was not, in 2012). For five (5) of those checks Jeanne Benz was the second signor, and the checks were for regular payments per the board-approved contract. The final check was a \$178 reimbursement (with receipt and paid out of the basketball club account) for sports supplies when Erik Benz was a volunteer coach and basketball club leader.

The OIG makes no conclusions or findings that GSOTA’s relationship with Mr. Benz violates applicable law or the charter contract, and properly so, as this is not a violation of any applicable law or the school’s charter contract.

7B. School contract with Matthew Roncace, CPA. **NO FINDINGS.**

The OIG mentions that Mr. Roncace was the director of a Florida Corporation where Erik Benz was also a director. As this corporation has nothing to do with the school and was dissolved twelve years ago, the relevance is lost on GSOTA. **The OIG makes no conclusions or findings that GSOTA has engaged in any activity in violation of applicable law or its charter, and properly so.**

7C. The Children’s Academy at Covenant. **NO FINDINGS.**

The report inaccurately states that The Children’s Academy (TCA) “provided pre-school services to GSOTA students for the first three years of GSOTA”. TCA provided no services for GSOTA the first year (SY12). The second year (SY13), TCA staff provided afterschool care services to GSOTA students ages 5-9, and TCA was compensated by GSOTA for the direct cost of staff only and solely out of parent-paid aftercare fees to GSOTA. No public funds were used to pay for aftercare services and as such are not subject to review by the OIG. TCA was closed in June 2013. **The OIG makes no conclusions or findings that GSOTA has engaged in any activity in violation of applicable law or its charter, and properly so.**

7D. OIG notes GSOTA governing board actions and activities June 29, 2011. **FINDING:** GSOTA *may* have entered into professional service contracts with various vendors without adhering to the Code of Federal Regulation and their own internal procurement policy (page 44, see Exhibit 36).

The sections of the Code of Federal Regulations cited by the OIG have no bearing on purchases/contracts of GSOTA other than those funded with CSP grant funds. Charter schools are not otherwise required to follow federal procurement procedures. GSOTA, as a CSP Grant recipient, followed all required procurement protocols for items purchased with CSP Grant funds. As described more specifically below, GSOTA did, in fact, follow its own internal procurement policy. See Discussion 7D on page 7.

8. School Expansion

8A. School site visit. **NO FINDINGS.** In fact, report states, "School expansion appears to be justifiable. Florida Statute 1013.62(3) Charter Schools Capital Outlay Funding does not prohibit GSOTA from utilizing capital outlay funding for the expansion" (page 46).

8B. Whether GSOTA notified the District regarding the proposed school expansion. **FINDING:** GSOTA did notify the District by addressing facility needs in multiple capital outlay applications which were acknowledged by the District. **RESPONSE:** See Discussion 8B on page 8.

9. A review of fees GSOTA charges to students. **NO FINDINGS.** The report recommends that GSOTA may want to include clear language associated with student fees and the parent's ability to pay. **RESPONSE:** GSOTA has added clarifying language on its website per the OIG recommendation.

DISCUSSION

Section 2C, Capital outlay funds.

The report states that a review of GSOTA's charter school capital outlay applications for the last three years indicates that GSOTA intended to use the capital outlay for statutorily authorized purposes (page 15). As part of its investigation, the OIG inquired of the District's Charter School Department as to whether the District received capital outlay plans from GSOTA. They were advised by the Charter School Department that it does not have records from GSOTA for capital outlay plans or related expenditures (page 17).

Despite the Charter School Department's response that they had no capital outlay plans from GSOTA, the process for applying for capital outlay requires a District to approve a charter school's capital outlay plan before it is then sent by the District to the Florida Department of

Education for processing. GSOTA's capital outlay plans were, in fact, acknowledged by District employees Ariel Alejo and Miriam Williams (page 16).

Finally, the report states that from "the OIG's observation the School has taken over the majority of the Church's available space. With continued student growth and increased enrollment, the School expansion appears to be justifiable. Florida Statute 1013.62 (3) Charter Schools Capital Outlay Funding does not prohibit GSOTA from utilizing capital outlay funding for the expansion" (page 46, emphasis added). **This is not a violation of any applicable law or the school's charter contract.**

Section 3B. Board member conflict of interest.

The Report states that board member Jon Andio provided electrician services to the school and was improperly compensated for those services.

Section 1002.33 (26), F.S. address standards of conduct for governing board members:

(26) STANDARDS OF CONDUCT AND FINANCIAL DISCLOSURE.

(a) A member of a governing board of a charter school, including a charter school operated by a private entity, is subject to ss. 112.313(2), (3), (7), and (12) and 112.3143(3).

Section 112.313 (12), F.S. provides exceptions to the conflict of interest provisions contained in subsections (3) and (7) (emphasis added).

(12) EXEMPTION. The requirements of subsections (3) and (7) as they pertain to persons serving on advisory boards may be waived in a particular instance by the body which appointed the person to the advisory board ... In addition, no person shall be held in violation of subsection (3) or subsection (7) if:

(f) The total amount of the transactions in the aggregate between the business entity and the agency does not exceed \$500 per calendar year.

Mr. Andio's business was paid \$356.96 in 2015 for parts and labor for one employee and \$364.49 in 2016 for parts only. Mr. Andio never received any personal compensation for the services performed. Of greater import is the fact that both payments fall under the \$500 threshold established by Florida law. GSOTA's charter requires the school to comply with all applicable laws. Section 1002.33 (26), F.S. specifically incorporates Section 112.313(12), F.S. Therefore, the exemption described above applies to GSOTA, and consequently GSOTA complies with applicable law and its charter.

The school's charter states that governing board members shall not receive compensation from the School's operations, which language prohibits board members from receiving compensation for their service as a board member. Mr. Andio has never been compensated in exchange for his work as a volunteer board member.

Mr. Andio's activities did not violate either state law or the charter contract.

Section 3C. Board member conflict of interest statements.

The report states that GSOTA *may* be in violation of their own internal policy and Section 112.3143(3)(a), F.S. (page 25). GSOTA's conflict of interest policy states that each governing board member will sign the School's conflict of interest statement. While GSOTA cannot demonstrate strict adherence to this policy, board members have all completed governance training which includes an in-depth discussion on conflicts of interest and ethics. All board members are expected to follow the relevant statutes on this topic, and would likely be removed from the board seat if they were found to violate its requirements.

Neither Florida law nor the charter contract require GSOTA board members to sign a conflict of interest statement. Accordingly, last year GSOTA modified its conflict of interest policy so that it is more in line with state law. Please see current policy attached as *Exhibit 4*.

In addition, the OIG states that GSOTA may be in violation of Section 112.3143(3)(a), F.S.. This statute addressed voting conflicts, and requires a board member to make a disclosure to the board in the event that he or she must abstain from a particular vote due to a special private gain or loss as a result of the vote. This statute cited by the OIG bears no relevance to whether board members submitted annual conflict of interest statements.

Section 7D. Governing Board Meeting Actions and Activities: June 29, 2011.

In this section of the report, the OIG reviewed various GSOTA governing board actions and activities on June 29, 2011. This meeting was held prior to the start of the first year and school and prior to the start of the term of the charter contract. The OIG seems critical of the fact that at this meeting, founders Erik Benz and Shane Vander Kooi resigned from their board seats. However, it is very common for founders of charter schools to serve on the board until the time when they leave the board to take on other roles at the charter school. Often founders of charter schools are the personnel who run the schools, especially in the early years.

In addition, the OIG points out Erik Benz and Shane Vander Kooi abstained from some of the votes. While the report seems to imply this as a criticism, an abstention from a vote is exactly what a board member should do should a voting conflict arise under Section 112.3143 (3), F.S. While seeming to criticize the board members' actions, **the OIG makes no conclusions or findings that GSOTA has engaged in any activity in violation of applicable law or its charter, and properly so, as this is not a violation of any applicable law or the school's charter contract.**

The OIG criticizes GSOTA for entering into professional service contracts with vendors without adhering to the Code of Federal Regulations and the school's own procurement policy, stating "Since GSOTA receives federal funding, GSOTA should utilize a competitive solicitation process for contracted services sought" (page 44, see Exhibit 36).

The sections of the Code of Federal Regulations cited by the OIG have bearing only on purchases made or contracts funded *with federal grant dollars*. The code cited by OIG is addressed in the following from Title V, Part B of the ESEA Nonregulatory Guidance, page 25:

G-3. What procedures must CSP grantees follow when purchasing equipment or services?

When using Federal funds to purchase equipment or services, a charter school must comply with the procurement standards set forth in the Department's regulations at 34 CFR 74.40-74.48.

The procurement policy adopted by GSOTA in 2010 was intended to guide the use of funds received under the Charter School Program Grant, and a review of the minutes from the June 29, 2011 board meeting reflects this fact (see OIG Report Exhibit 21, page 258, third page of meeting minutes). GSOTA, as a CSP Grant recipient, followed all required procurement protocol for items purchased with CSP Grant funds and can demonstrate that the procurement policy was followed for purchases such as classroom furniture (\$4,843), computers (\$14,820), interactive whiteboards (\$11,080), all of which were purchased with CSP Grant funding. Since charter schools generally are not subject to competitive bidding requirements, there would be no reason for the school to adopt a policy applicable to all purchases.

As to the OIG's finding that contracts were entered into without the school following its own internal procurement policy, the contracts referenced were not funded by the CSP grant. As already established, the procurement policy was not intended to apply to other contracts or purchases, as charter schools are not otherwise required to follow federal procurement procedures.

Section 8B. GSOTA notified the School District regarding proposed school expansion.

One of the complaints which triggered this investigation is the assertion by Jim Pegg that GSOTA failed to notify the School District of its plans to expand its facilities. According to Mr. Pegg, he learned of the proposed expansion of the facility during a visit to the school on February 9, 2016, when he was there to conduct a program review related to the school's renewal (OIG Report page 47). As stated on the Program Renewal Review document itself, the purpose of the review was to determine whether GSOTA was compliant with the existing charter provisions (see OIG Report Exhibit 32, page 317. At no time during this meeting did Mr. Pegg raise a concern about notification of the expansion. In fact, GSOTA's renewal was approved by the School Board on March 2, 2016, less than one month later. A review of the Program Renewal Review Summary indicates that GSOTA's facilities "meets" the School District's standard.

If Mr. Pegg believed GSOTA was in violation of its charter, it seems that this would have been the time to raise the issue. The parties began negotiations of the renewal charter on April 14, 2016 and held a series of meetings in person and on the telephone over the next four months. The school's expansion plans were the subject of several discussions. At no time did Mr. Pegg

assert that GSOTA was in violation of its charter for failing to notify the School District of its planned expansion.

In its report the OIG found that board minutes reflected discussion of the school's facility expansion going back to 2012 (page 47, see OIG Report Exhibits 25, 26, 27 and 28 beginning on page 281). GSOTA regularly submits its board minutes to the District Charter School Department for review. In addition, GSOTA submitted capital outlay plans which were acknowledged by School District personnel (page 48).

Mr. Pegg determined that GSOTA was in compliance with its charter when the School Board voted on GSOTA's renewal and did not raise this issue over four months of charter negotiations; it seems disingenuous that Mr. Pegg would now make this the subject of an OIG investigation. Regardless of the School District's claims to the contrary, **the OIG found that GSOTA did notify the School District by addressing facility needs in multiple capital outlay applications which were acknowledged by the School District (page 48).**

CONCLUSION

GSOTA fully cooperated with the OIG at all times during this investigation (OIG Report page 53). The end result of this investigation is the following:

1. The OIG found that none of the complaints which triggered this investigation were substantiated.
2. GSOTA inadvertently overpaid its landlord for utilities in the amount of \$13,500 over five years. The parties are in the process of negotiating a lease amendment whereby these amounts would be credited to GSOTA.
3. GSOTA has added clarifying language on its website regarding fees charged to parents.

LIST OF EXHIBITS

1. Invoices
2. Governance training certificates of completion
3. Evidence of background screening
4. GSOTA current conflict of interest policy

EXHIBIT 1

Item 1.	06/05/2014	\$14,350.00	Inv 942	Check #2149
Item 2.	06/01/2015	\$3,120.00	Inv 1042	Check #11167
Item 3.	08/24/2016	\$5,861.30	Inv 11597	Check #7269

Item 1.

6
C

2147

DATE 5/30/14

TO Always Jump for Joy

DEPOSITS

FOR <u>K-5 Field Day</u>	TOTAL	
<u>Inv # 1741</u>	THIS CHECK	380 -
	OTHER	
TAX DEDUCTIBLE	BALANCE	

2148

DATE 6-5-14

TO CCI

DEPOSITS

FOR <u>re: Deleon Construction for parking area.</u>	TOTAL	
	THIS CHECK	14350 50
	OTHER	
TAX DEDUCTIBLE	BALANCE	

0052 ALADPH check1 01/21/10 10:55

2149

DATE 6-5-14

TO CCI

DEPOSITS

FOR <u>parking re. inv. 942.</u>	TOTAL	
	THIS CHECK	14350 50
	OTHER	
TAX DEDUCTIBLE	BALANCE	

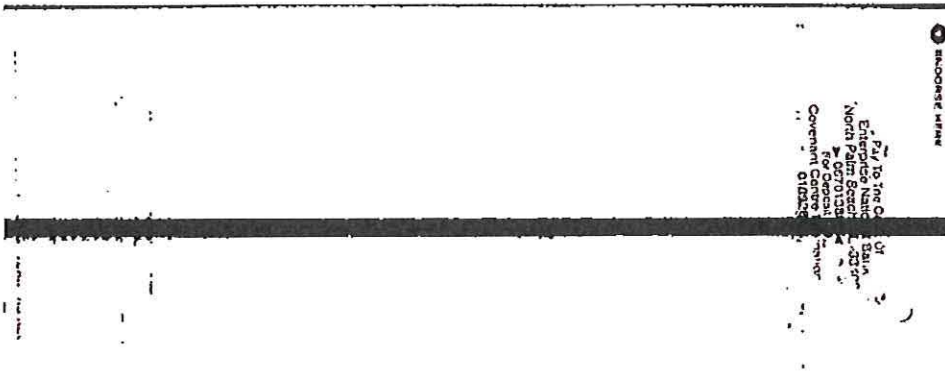
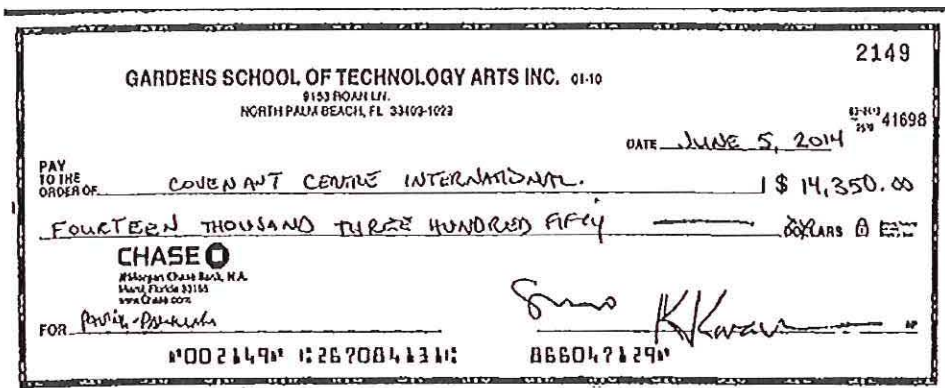
Chase Online

Thursday, February 02, 2017

Check Details for Check Number 2149

Post Date	Amount	Account number	Routing number
06/09/2014	\$14,350.00	866047129	267084131

Check Images (Front and Back)



This information is provided for your convenience and does not replace your monthly account statement(s), which are the official records of your accounts and does not replace any other notice we send you.
JPMorgan Chase Bank, N.A. Member FDIC

© 2017 JPMorgan Chase & Co.

Item 2.

Invoice



Date 6/1/2015
Invoice # 1642

Covenant Centre
International
9153 Roan Lane
Palm Beach Gardens,
FL. 33403
Phone 561-627-8138

TO Gardens School of
Technology Arts, Inc.
9153 Roan Lane
Palm Beach Gardens,
FL. 33403
Phone 561-790-2661

Salesperson	Job	Payment Terms	Due Date
		Due on receipt	

Qty	Description	Unit Price	Line Total
1	Wall Repairs for Interior Hallways (Labor and Product)	650	650
1	Installation of Video Surveillance System Running 1500 ft. of cable. Mounting 16 cameras.	900	900
1	Garbage Cleanup and Facility Maintenance	400	400
1	Air Conditioning Repairs	670	670
1	Repairs to Courtyard, Sod Installation, Irrigation	500	500

Subtotal	\$3,120
State Tax	0
Total	\$ 3,120

Make all checks payable to Covenant Centre, Inc.

Thank you for your business!

Gardens School of Technology Arts, Inc.
Covenant Centre, Inc.

06/01/2015

011167
3,120.00

Chase Bank - operatin Invoice 1042

3,120.00

Item 3.

Invoice



Date 08/23/2016
Invoice # 11597

Covenant Centre
International
9153 Roan Lane
Palm Beach Gardens,
FL 33403
Phone 561-627-8138

TO Gardens School of
Technology Arts, Inc.
9153 Roan Lane
Palm Beach Gardens,
FL 33403
Phone 561-790-2661

Salesperson	Job	Payment Terms	Due Date
		Due on receipt	

Qty	Description	Unit Price	Line Total
	Facility Renovations for New School Year		
	Painting		422.30
	Furniture Assembly and classroom transitioning		475
	Hanging Bulletin Boards and White Boards		80
	Land Clearing for PE and Recess Spaces and School Readiness		320
	Classroom lighting Improvements for Health Department requests and Electrical work for Repairs		2489
	Survey Work for new classrooms		2075
Subtotal			\$5861.30
Sales Tax			0
Total			5861.30

Make all checks payable to Covenant Centre, Inc.

Thank you for your business!

132
Gardens School of Technology Arts, Inc.
Covenant Centre, Inc.

08/24/2016

007269

977.30
4,884.00

Chase Bank - internal Invoice 11597

5,861.30

EXHIBIT 2

Kathleen W. Schoenberg, P.A.
Charter School Governance Training

Certificate of Participation

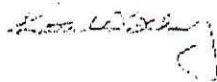
is hereby granted to:

Dave Menkhaus

Gardens School of Technology Arts

for successful completion of the FL 4-Hour Training
approved by the Florida Department of Education

Date of Completion: August 22, 2011



Kathleen W. Schoenberg, Esq.

Kathleen W. Schoenberg, P.A.
Charter School Governance Training

Certificate of Participation

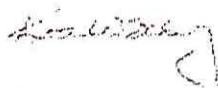
is hereby granted to:

Misi Stonecipher

Gardens School of Technology Arts

for successful completion of the FL 4-Hour Training
approved by the Florida Department of Education

Date of Completion: August 19, 2011



Kathleen W. Schoenberg, Esq.

Kathleen W. Schoenberg, P.A.
Charter School Governance Training

Certificate of Participation

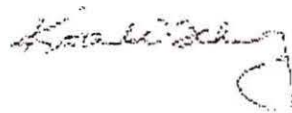
is hereby granted to:

Lori Alfrey

Gardens School of Technology Arts

for successful completion of the FL 4-Hour Training
approved by the Florida Department of Education

Date of Completion: December 25, 2012



Kathleen W. Schoenberg, Esq.

EXHIBIT 3



THE SCHOOL DISTRICT OF PALM BEACH COUNTY

Charter School Employment Authorization

The purpose of this form is to authorize employment at a charter school. To apply for a position at a charter school complete and sign this authorization. Follow the directions as specified below. Incomplete forms will not be processed.

- Directions:**
1. New hires should route this form through the steps below.
 2. After all signatures in all three steps have been obtained, the completed form MUST be returned to the School Principal.

DOB 4/27/55

Charter School GAEDENS SCHOOL OF TECHNOLOGY		Applicant Start Date 6/29/2011
Applicant Name (last, first, middle initial) MENKHAUS, DAVID J	Soc. Sec. # (last four digits only) XXXX-XX-1906	Applicant Telephone (561) 984-6894
Applicant Address (street name and number, apt. #, city, state, zip code) 13124 Silver Fox NPB, FL 33418	E-mail Address dmenkaus@aol.com	
Subject / Position / Grade Level BOARD MEMBER	Type of Position (check one only) <input type="checkbox"/> Instructional <input checked="" type="checkbox"/> Non-instructional	

[Signature]
Signature of Applicant

7/20/11
Date

[Signature]
Signature of Charter School Principal

7.16.2011
Date

STEP 1 - SCHOOL POLICE SECTION (To be completed by School Police only) Suite B-101

Must present valid driver's license and social security card - Fee \$85 payable by money order only to PBCSDPD (non-refundable).

PROCESSED BY SCHOOL POLICE DEPT.
Date Fingerprinted: **7/21/11**
[Signature]
Signature of School Police Representative

PROCESSED BY SCHOOL POLICE DEPT.
Date: **7/21/11**

STEP 2 - CERTIFICATION OFFICE SECTION (To be completed by Certification Office only) Suite A-152

DOE # _____ Validity _____ Certification Type _____
Eligible? Yes No Subject(s) of Certification/Eligibility _____
 REQUIRES OUT OF FIELD APPROVAL

Notes _____

Completed By _____
Signature of Certification Representative _____ Date _____

STEP 3 - CHARTER SCHOOL DEPARTMENT SECTION (To be completed by Charter School Department only), IBIS Building "E"

Received By *[Signature]* **7-21-11**
Signature of Charter School Representative _____ Date _____



THE SCHOOL DISTRICT OF PALM BEACH COUNTY

Charter School Employment Authorization

The purpose of this form is to authorize employment at a charter school. To apply for a position at a charter school complete and sign this authorization. Follow the directions as specified below. Incomplete forms will not be processed.

- Directions:**
1. New hires should route this form through the steps below.
 2. After all signatures in all three steps have been obtained, the completed form MUST be returned to the School Principal.

DOB 6-29-70

Charter School Gardens School of Technology Arts		Applicant Start Date 6/29/11
Applicant Name (last, first, middle initial) Stonecipher Melissa D.		Soc. Sec. # (last four digits only) ██████-██████-4108
Applicant Address (street name and number, apt. #, city, state, zip code) 120 Hampton Cir. Jupiter 33458		Applicant Telephone (561) 531-0582
Subject / Position / Grade Level BOARD MEMBER		E-mail Address mstonecipher@gmail.com
		Type of Position (check one only) <input type="checkbox"/> Instructional <input checked="" type="checkbox"/> Non-Instructional

Signature of Applicant: *M. Stonecipher* Date: 7/19/11
 Signature of Charter School Principal: *Lana Thomas* Date: 7-16-2011

STEP 1 - SCHOOL POLICE SECTION (To be completed by School Police only) Suite B-101

Must present valid driver's license and social security card. Fee \$85 payable by money order only to PBCSDPD (non-refundable).

PROCESSED BY SCHOOL POLICE DEPT.
 Date Fingerprinted: 7/19/11 DATE: 7/19/11
 Signature of School Police Representative: *[Signature]* Date: 7/19/11

STEP 2 - CERTIFICATION OFFICE SECTION (To be completed by Certification Office only) Suite A-152

DOE # _____ Validity _____ Certification Type _____
 Eligible? Yes No Subject(s) of Certification/ Eligibility _____

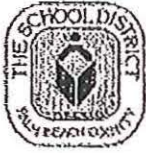
REQUIRES OUT OF FIELD APPROVAL

Notes _____

Completed By _____
 Signature of Certification Representative _____ Date _____

STEP 3 - CHARTER SCHOOL DEPARTMENT SECTION (To be completed by Charter School Department only), IBIS Building "E"

Received By: *[Signature]* Date: 7-19-11
 Signature of Charter School Representative _____ Date _____



THE SCHOOL DISTRICT OF PALM BEACH COUNTY

Charter School Authorization for

Employee
 Contracted Services
 Board Member
 Vendor

The purpose of this form is to authorize employment and/or services at a charter school. Follow the directions as specified below to complete this form. Incomplete forms will not be processed.

- Directions:**
1. Route this form through the steps below.
 2. After all signatures in all three steps have been obtained, the completed form MUST be returned to the School Principal.

School # 39101	Charter School Gardens School of Tech Arts	DOB 4/14/100	Applicant Start Date 10/3/12
Applicant Name (last, first, middle initial) Busch, Lori S.		Soc. Sec. # (last four digits only) 9818	Applicant Telephone (561) 379-9475
Applicant Address (street name and number, apt. #, city, state, zip code) 254 Edenberry Avenue Jupiter, FL		E-mail Address LoriSAifrey@aol.com	
Subject / Position / Grade Level Board Member		33458	Type of Position (check one only) <input type="checkbox"/> Instructional <input checked="" type="checkbox"/> Non-instructional

Signature of Applicant: Lori S. Busch Date: 10/8/12
 Signature of Charter School Principal: [Signature] Date: 10/3/12

STEP 1 - SCHOOL POLICE SECTION (To be completed by School Police only) Suite B-101

Must present valid driver's license and social security card - Fee \$99 payable by money order only to PBCSDPD (non-refundable).

PROCESSED BY SCHOOL POLICE DEPT.
 Date Fingerprinted: DATE: 10/24/12 Signature of School Police Representative: [Signature] Date: 10/24/12

STEP 2 - CERTIFICATION OFFICE SECTION (To be completed by Certification Analyst) Suite A-152

DOE # _____ Validity _____ Type of Certification _____
 Subject(s) of Certification/ Eligibility _____
 Eligible for hire: Yes No Reason(s) for denial: Certification HQ
 Requires out-of-field approval: Yes No Requires not HQ approval: Yes No
 Notes _____


Verified by _____ Signature of Certification Representative _____ Date _____

STEP 3 - CHARTER SCHOOL DEPARTMENT SECTION (To be completed by Charter School Department only), IBIS Building "E"

Received By: [Signature] Date: 10/24/2012
 Signature of Charter School Representative

EXHIBIT 4

**GARDENS SCHOOL OF TECHNOLOGY ARTS, INC.
POLICY ON CONFLICTS OF INTEREST**

 11/14/16

1. **Purpose.** The purpose of this policy is to protect the corporation's interest to ensure that no officer or director has a conflict of interest with Gardens School of Technology Arts, Inc. ("School"). This provision is intended to supplement but not replace any applicable state or federal laws governing conflicts of interest applicable to non-profit and charitable organizations.

2. **Definitions.**
 - (a) "Material Interest" shall mean direct or indirect ownership of more than five percent of the total assets or capital stock of any business entity.

 - (b) "Conflict" shall mean a situation in which regard for a private interest tends to lead to disregard of a public duty or interest.

3. **Prohibited Transactions and Relationships.**
 - (a) A board member may not purchase, rent or lease any realty, goods or services for the School from a business of which of board member (or the board member's spouse or child) is an officer, partner, director, proprietor or owner of a material interest.

 - (b) No board member may hold any employment or contractual relationship (written or unwritten) with the School. No board member may hold any employment or contractual relationship with any business entity which is doing business with the School. No board member may hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties or that would impede the full and faithful discharge of his or her public duties.

 - (c) An employee of the School, or his or her spouse, may not be a member of the board of directors.

4. **Voting Conflicts:**
 - (a) For the purposes of this subsection (4) only, the term "relative" shall be defined to mean any father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law.

 - (b) A board member shall not vote on any measure which would inure to the board member's special private gain or loss (or to the special private gain of (1) an organization by which the board member is retained or (2) a relative or (3) a business associate).

 - (c) Voting conflicts must be disclosed in a written memorandum and filed with the person responsible for recording the minutes prior to the meeting. Such memorandum shall be read publicly at the board meeting, incorporated into the minutes and shall be considered a public record.

 - (d) If a voting conflict arises at a board meeting, the disclosure shall be oral followed up by a written memorandum within fifteen days.

**GARDENS SCHOOL OF TECHNOLOGY ARTS, INC.
POLICY ON CONFLICTS OF INTEREST**

5. Exceptions and Duty to Disclose.

(a) No board member shall be in violation of this policy if one or more of the exceptions described in §112.313 (12), F.S. are met (see Exhibit 1).

(b) In connection with any actual or possible conflict of interest with the School, the interested board member must disclose the possible or actual conflict of interest to the board of directors. The board of directors shall then determine whether a conflict of interest exists and/or whether one of the exceptions listed in section 5(a) above is met.

6. Violation of this Provision: If a board member has reasonable cause to believe another board member has failed to disclose actual or possible conflicts of interest, he or she shall inform the member of the basis for the belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board determines that the member has failed to disclose an actual or possible conflict of interest, it shall be grounds for removal.

7. Records of Proceedings: The minutes of the board and all committees with board delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the board's decision as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

8. Periodic Reviews: To ensure the School operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews may be conducted. The periodic reviews may, at a minimum, including the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

(b) Whether partnerships, joint ventures and any arrangements with management organizations conform to the School's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

GARDENS SCHOOL OF TECHNOLOGY ARTS, INC.
POLICY ON CONFLICTS OF INTEREST
EXHIBIT 1

Statutory Exemptions

F.S. 112.313(12) EXEMPTION.--The requirements of subsections (3) and (7) of F.S. 112.313 as they pertain to persons serving on advisory boards may be waived in a particular instance by the body which appointed the person to the advisory board, upon a full disclosure of the transaction or relationship to the appointing body prior to the waiver and an affirmative vote in favor of waiver by two-thirds vote of that body. In instances in which appointment to the advisory board is made by an individual, waiver may be effected, after public hearing, by a determination by the appointing person and full disclosure of the transaction or relationship by the appointee to the appointing person.

In addition, no person shall be held in violation of subsection (3) or subsection (7) if:

(a) Within a city or county the business is transacted under a rotation system whereby the business transactions are rotated among all qualified suppliers of the goods or services within the city or county.

(b) The business is awarded under a system of sealed, competitive bidding to the lowest or best bidder and:

1. The official or the official's spouse or child has in no way participated in the determination of the bid specifications or the determination of the lowest or best bidder;

2. The official or the official's spouse or child has in no way used or attempted to use the official's influence to persuade the agency or any personnel thereof to enter such a contract other than by the mere submission of the bid; and

3. The official, prior to or at the time of the submission of the bid, has filed a statement with the Commission on Ethics, if the official is a state officer or employee, or with the supervisor of elections of the county in which the agency has its principal office, if the official is an officer or employee of a political subdivision, disclosing the official's interest, or the interest of the official's spouse or child, and the nature of the intended business.

(c) The purchase or sale is for legal advertising in a newspaper, for any utilities service, or for passage on a common carrier.

(d) An emergency purchase or contract which would otherwise violate a provision of subsection (3) or subsection (7) must be made in order to protect the health, safety, or welfare of the citizens of the state or any political subdivision thereof.

(e) The business entity involved is the only source of supply within the political subdivision of the officer or employee and there is full disclosure by the officer or employee of his or her interest in the business entity to the governing body of the political subdivision prior to the purchase, rental, sale, leasing, or other business being transacted.

(f) The total amount of the transactions in the aggregate between the business entity and the agency does not exceed \$500 per calendar year.

**GARDENS SCHOOL OF TECHNOLOGY ARTS, INC.
POLICY ON CONFLICTS OF INTEREST**

(g) The fact that a county or municipal officer or member of a public board or body, including a district school officer or an officer of any district within a county, is a stockholder, officer, or director of a bank will not bar such bank from qualifying as a depository of funds coming under the jurisdiction of any such public board or body, provided it appears in the records of the agency that the governing body of the agency has determined that such officer or member of a public board or body has not favored such bank over other qualified banks.

(h) The transaction is made pursuant to s. 1004.22 or s. 1004.23 and is specifically approved by the president and the chair of the university board of trustees. The chair of the university board of trustees shall submit to the Governor and the Legislature by March 1 of each year a report of the transactions approved pursuant to this paragraph during the preceding year.

(i) The public officer or employee purchases in a private capacity goods or services, at a price and upon terms available to similarly situated members of the general public, from a business entity which is doing business with his or her agency.

(j) The public officer or employee in a private capacity purchases goods or services from a business entity which is subject to the regulation of his or her agency and:

1. The price and terms of the transaction are available to similarly situated members of the general public; and

2. The officer or employee makes full disclosure of the relationship to the agency head or governing body prior to the transaction.

A nonauthoritative Conceptual Framework Toolkit for Members in Public Practice is available at www.aicpa.org/InterestAreas/ProfessionalEthics/Resources/DownloadableDocuments/ToolkitsandAids/ConceptualFrameworkToolkitForMembersInPublicPractice.docm.

1.000.020 Ethical Conflicts

- .01** An ethical conflict arises when a *member* encounters one or both of the following:
- Obstacles to following an appropriate course of action due to internal or external pressures
 - Conflicts in applying relevant professional standards or legal standards
- For example, a *member* suspects a fraud may have occurred, but reporting the suspected fraud would violate the *member's* responsibility to maintain *client* confidentiality.
- .02** Once an ethical conflict is encountered, a *member* may be required to take steps to best achieve compliance with the rules and law. In weighing alternative courses of action, the *member* should consider factors such as the following:
- Relevant facts and circumstances, including applicable rules, laws, or regulations
 - Ethical issues involved
 - Established internal procedures
- .03** The *member* should also be prepared to justify any departures that the *member* believes were appropriate in applying the relevant rules and law. If the *member* was unable to resolve the conflict in a way that permitted compliance with the applicable rules and law, the *member* may have to address the consequences of any violations.
- .04** Before pursuing a course of action, the *member* should consider consulting with appropriate persons within the *firm* or the organization that employs the *member*.
- .05** If a *member* decides not to consult with appropriate persons within the *firm* or the organization that employs the *member* and the conflict remains unresolved after pursuing the selected course of action, the *member* should consider either consulting with other individuals for help in reaching a resolution or obtaining advice from an appropriate professional body or legal counsel. The *member* also should consider documenting the substance of the issue, the parties with whom the issue was discussed, details of any discussions held, and any decisions made concerning the issue.
- .06** If the ethical conflict remains unresolved, the *member* will in all likelihood be in violation of one or more rules if he or she remains associated with the matter creating the conflict. Accordingly, the *member* should consider his or her continuing relationship with the engagement team, specific assignment, *client*, *firm*, or employer. [No prior reference: new content.]

Effective Date

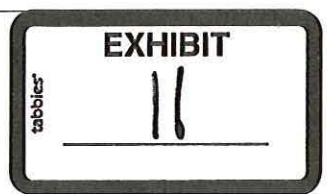
- .07** ~~(*)~~ Effective December 15, 2014. ~~(*)~~

1.100 Integrity and Objectivity

1.100.001 Integrity and Objectivity Rule

- .01** In the performance of any *professional service*, a *member* shall maintain objectivity and integrity, shall be free of conflicts of interest, and shall not knowingly misrepresent facts or subordinate his or her judgment to others. [Prior reference: paragraph .01 of ET section 102]

Source: "AICPA Code of Professional Conduct"
- effective December 15, 2014 (see p. 3/3)



Interpretations Under the Integrity and Objectivity Rule

1.100.005 Application of the Conceptual Framework for Members in Public Practice and Ethical Conflicts

- .01** In the absence of an *interpretation* of the “Integrity and Objectivity Rule” [1.100.001] that addresses a particular relationship or circumstance, a *member* should apply the “Conceptual Framework for Members in Public Practice” [1.000.010].
- .02** A *member* would be considered in violation of the “Integrity and Objectivity Rule” [1.100.001] if the *member* cannot demonstrate that *safeguards* were applied that eliminated or reduced significant *threats* to an *acceptable level*.
- .03** A *member* should consider the guidance in “Ethical Conflicts” [1.000.020] when addressing ethical conflicts that may arise when the *member* encounters obstacles to following an appropriate course of action. Such obstacles may be due to internal or external pressures or to conflicts in applying relevant professional or legal standards, or both. [No prior reference: new content]

Effective Date

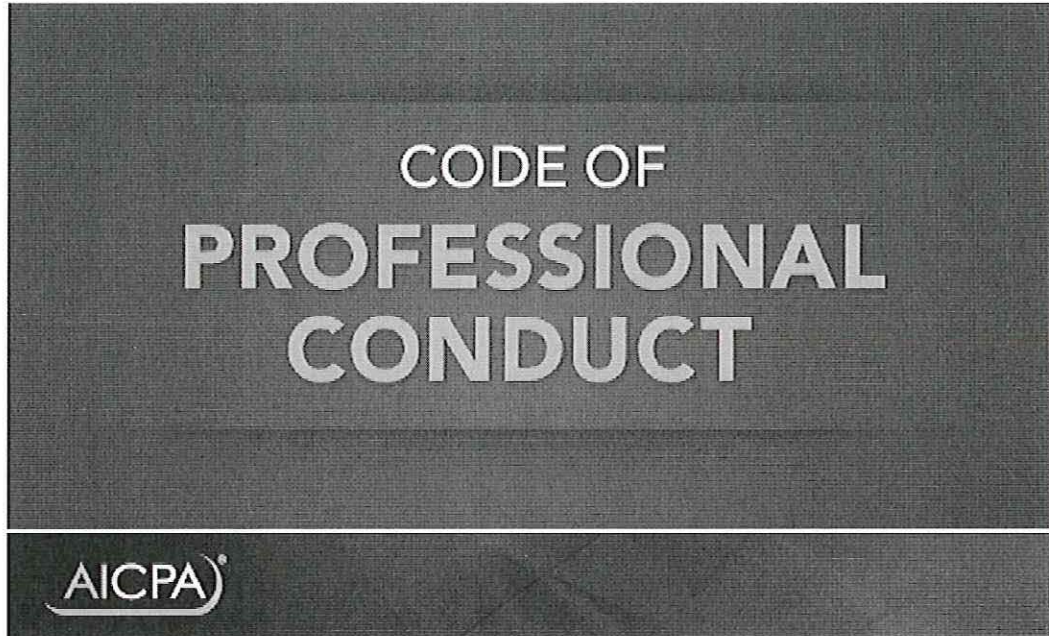
- .04** Paragraphs .01 and .02 are effective December 15, 2015 and early implementation is allowed provided the member has implemented the revised code. Paragraph .03 is effective December 15, 2014.

1.110 Conflicts of Interest

1.110.010 Conflicts of Interest for Members in Public Practice

- .01** A *member* or his or her *firm* may be faced with a conflict of interest when performing a *professional service*. In determining whether a *professional service*, relationship or matter would result in a conflict of interest, a *member* should use professional judgment, taking into account whether a reasonable and informed third party who is aware of the relevant information would conclude that a conflict of interest exists.
- .02** A conflict of interest creates adverse interest and self-interest *threats* to the *member's* compliance with the “Integrity and Objectivity Rule” [1.100.001]. For example, *threats* may be created when
- a. the *member* or the *member's firm* provides a *professional service* related to a particular matter involving two or more *clients* whose interests with respect to that matter are in conflict, or
 - b. the interests of the *member* or the *member's firm* with respect to a particular matter and the interests of the *client* for whom the *member* or the *member's firm* provides a *professional service* related to that matter are in conflict.
- .03** Certain professional engagements, such as audits, reviews and other attest services require *independence*. *Independence* impairments under the “Independence Rule” [1.200.001], its *interpretations*, and rulings cannot be eliminated by the *safeguards* provided in this interpretation or by disclosure and consent.
- .04** The following are examples of situations in which conflicts of interest may arise:
- a. Providing corporate finance services to a *client* seeking to acquire an audit *client* of the *firm*, when the *firm* has obtained confidential information during the course of the audit that may be relevant to the transaction
 - b. Advising two *clients* at the same time who are competing to acquire the same company when the advice might be relevant to the parties' competitive positions
 - c. Providing services to both a vendor and a purchaser who are *clients* of the *firm* in relation to the same transaction

AICPA Code of Professional Conduct



Effective December 15, 2014.

p. 1/3

Updated for all Official Releases through August 31, 2016

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September 16, 2016

Via Electronic Mail

A. Denise Sagerholm, Esquire
 School District of Palm Beach County
 Office of Chief Counsel
 P.O. Box 19239
 West Palm Beach, FL 33416

Re: Gardens School of Technology Arts (GSOTA)

Dear Ms. Sagerholm,

You state in your September 15, 2016 correspondence that the Palm Beach County School District (District) intends to "proceed accordingly" due to the fact that GSOTA has entered into a 15-year lease. Your assertions that GSOTA concealed the current lease from the District are untrue. We will restate the facts and timeline involving the school's lease, all of which GSOTA previously communicated both in writing and in our meeting on Monday, September 12, 2016.

The language of the current charter places no prohibition on my client's ability to negotiate a lease with its landlord. As described in more detail in my letter dated August 13, 2016, the charter language you cite was intended to ensure that the school had a plan in place for an adequate facility during the term of the charter. The school ensured this would happen—they previously executed a five-year lease which expired June 30, 2016.

My client appreciates your review of their board minutes from the March 14, 2016 board meeting as they validate what we previously discussed. The board discussed the receipt of proposed lease terms from its landlord, given that the school's lease was due to expire on June 30, 2016. This meeting was after the school was approved for renewal by the District. At this meeting board member David Reyes was granted authority to finalize a lease within parameters established by the board.

Shortly thereafter, representatives from GSOTA and the District met on April 14, 2016 to begin negotiation of the renewal charter. At that meeting my client requested a 15-year charter term. During that conversation GSOTA discussed that a 15-year term would facilitate the landlord's efforts to secure financing to expand the school's facilities to accommodate growth. At no time during that meeting did any District representatives state that a 15-year lease would put GSOTA out of compliance. On the contrary, it was implied that a 15-year lease would be necessary as a basis for the request. You advised my client to submit its basis for the request for a 15-year term in writing.

Following that meeting and prior to April 27, 2016 (the date of the lease execution), a letter in support of the 15-year charter term was drafted. At the time of the first draft of the letter the lease had not been executed; hence, the letter states that the school was in the process of negotiations. The letter was finalized and executed by Debra Moore, GSOTA board president on May 9, 2016. At the time she sent the letter she was not aware that the lease had actually been executed as board members refrain from



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA

OFFICE OF INSPECTOR GENERAL
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LUNG CHIU, CIG, CPA
INSPECTOR GENERAL

SCHOOL BOARD
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ERICA WHITFIELD

ROBERT M. AVOSSA, Ed.D., SUPERINTENDENT

MEMORANDUM

TO: Honorable Chair and Members of the School Board
Dr. Robert Avossa, Superintendent
Chair and Members of the Audit Committee

FROM: Lung Chiu, Inspector General *KLC*

DATE: July 17, 2017

SUBJECT: Transmittal of Final Investigative Report
Case # 16-474 Gardens School of Technology Arts

In accordance with School Board Policy 1.092(6)(d), we hereby transmit the above-referenced final report.

The report addresses allegations regarding Gardens School of Technology Arts (GSOTA) violating the terms of the current contract with the District. Specifically, the report addressed the following allegations:

- GSOTA entered into a fifteen year rental lease agreement with its current landlord. *The OIG offered no opinion because the District extended the date of the contract in order to complete the negotiations for the contract renewal or related to the completion of this investigation.*
- Questionable business/management relationships between Covenant Centre International Inc. (CCI) and GSOTA. *The OIG determined GSOTA may have entered into professional service contracts with professional service providers without adhering to the Code of Federal Regulations and their own internal procurement policy. The contracts were awarded without participating in a competitive solicitation process.*
- GSOTA did not inform the District there would be additional facilities added to the property. *The OIG determined this allegation to be unsubstantiated.*

- Capital outlay dollars utilized for the expansion of the school as CCI would be the property owner of the buildings and not the school. *The OIG determined Florida Statutes 1002.33 and 1013.62 allow GSOTA to be eligible for school capital outlay funding.*
- GSOTA charged student fees for being late, volunteer hours, technology payment and registration fees to hold a spot for before and after care. *The OIG determined Florida Statutes allow the fees to be charged. As for volunteer hours, the OIG recommended GSOTA should include clearly stated language associated with student fees and the parent's ability not to pay.*

The OIG investigation also included a review of the following areas: academic accountability, financial accountability, governance accountability, comparison lease analysis, relationships between the church and the school, business relationships between the school and professional service providers, school expansion, student fees charged by school, and District reviews of school programs.

The report is finalized and posted on the Inspector General's website; www.palmbeachschools.org/inspectorgeneral .

**OFFICE OF INSPECTOR GENERAL
PALM BEACH SCHOOL BOARD
REPORT OF INVESTIGATION
GARDENS SCHOOL OF TECHNOLOGY ARTS
CASE NUMBER: 16-474**

EXECUTIVE SUMMARY

BACKGROUND

The current contract between Gardens School of Technology Arts (GSOTA) and the Palm Beach School Board covers a five year term from July 1, 2011 thru June 30, 2016. The contract was amended initially for contract renewal negotiations, and subsequently extended to March 31, 2017, for completion of this investigation.

GSOTA is physically located on the site of Covenant Centre International Inc. Church (CCI) located at 9153 Roan Lane Palm Beach Gardens, Florida. GSOTA is currently leasing rental space from Covenant Centre International Inc. Church.

THE COMPLAINT

On August 9, 2016, Palm Beach School District Charter Department Director James Pegg and Palm Beach School District Assistant General Counsel A. Denise Sagerholm requested the Office of Inspector General to conduct an investigation into whether GSOTA violated the terms of the current contract with the District.

FINDINGS:

The investigation concluded the following findings as it related to the reported allegations and or issues:

Allegation #1:

GSOTA's violated the terms of the current contract with the District when it entered into a fifteen (15) year rental lease agreement with its current landlord.

Findings:

- The OIG offers no opinion on whether GSOTA's entering a 15 year agreement commencing on July 1, 2016 would have violated the current charter school contract with the term of July 1, 2011 to June 30, 2016, given

that the contract amendments extending the date of the contract were for the purposes of completing negotiations for the contract renewal or related to the completion of this investigation.

Allegation #2:

There may be some questionable business/management relationships between the church (CCI) and GSOTA.

Findings:

- GSOTA may have entered into professional service contracts with Professional Service Providers without adhering to the Code of Federal Regulations and their own internal Procurement Policy. On June 29, 2011 GSOTA appointed/awarded Professional Service Contracts to individuals without participating in a competitive solicitation process.

Allegation #3:

GSOTA did not inform the District the school was adding additional facilities to the church property.

Findings:

- **Unsubstantiated.** Although, according to District officials, GSOTA did not officially notify the District of their intent to change or add facilities or locations (expansion), GSOTA did indicate on their 2014-2016 Capital Outlay Applications (s) its intent to purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e. mortgage or rent) and construction of school facilities of which District representatives Certified and acknowledged Capital Outlay Plans for 2014, 2015 and 2016.

Allegation #4:

Capital Outlay dollars being utilized for the school expansion as the Church (CCI) would be the property owner of the buildings and not the School.

Findings:

- Florida Statute F.S.S. 1002.33(20) and F.S.S. 1013.62 allows GSOTA to be eligible for school capital outlay funding. GSOTA intended to use the capital outlay funds for statutorily authorized purposes.
- Florida Statute also addresses what should occur if a charter school is non-renewed or terminated and further how any unencumbered funds and all equipment and property purchased with public funds shall revert to the ownership of the Sponsor as provided for in Section 1002.33(8), F.S.

Allegation #5:

GSOTA was charging student fees for being late, volunteer hours, technology payment and registration fees to hold a spot for before and after care.

Findings:

- **Late Fees:** Florida Statutes allows tuition charges for preschool programs, prekindergarten early intervention programs and school-age child care programs.
- **Volunteer hours:** According to GSOTA's School Director, the donation in lieu of volunteer hours is strictly voluntary and no child is penalized if the parent cannot afford to pay. The OIG did not find any language on GSOTA's website that informs student parents or legal guardians that (1) no penalty of any type will be imposed against the student based upon a failure to pay; (2) no student shall be denied the right to participate for failure to pay; (3) the principal may forego a planned activity or use of a particular item based upon the collection of insufficient funds to cover the cost of the item or activity; and (4) this request is for a voluntary payment. The OIG recommended that GSOTA should include some "clearly" stated language associated with student fees and the parent's ability to not pay, as detailed in School Board Policy 2.21 School Requests of Payment from Students.
- **Technology payments:** Florida Statute allows Principals to request that students voluntarily purchase certain items or voluntarily pay to participate in an activity, which may aid in their learning.
- **Before/Aftercare School Care:** Florida Statute allows tuition charges for preschool programs, prekindergarten early intervention programs and school-age child care programs.
- **Registration fees:** Florida Statutes allows tuition charges for preschool programs, prekindergarten early intervention programs and school-age child care programs.

The OIG investigation also included a review of the following areas related to GSOTA:

Area #1: Academic Accountability

Findings:

- GSOTA's school grades have been consistent, since inception.

- Student enrollment has increased steadily since inception.

Area #2: Financial Accountability

Findings:

- GSOTA did not experience any financial emergencies as stipulated in Florida Statute 218.503.
- GSOTA's FTE was accurately reported for the FY 2012 through FY 2016.
- GSOTA intended to use the capital outlay funds for statutorily authorized purposes.
- **Payments of Utilities by GSOTA were Inconsistent with Lease Agreement for Charter School Facility. Article X, Utilities**, of the Lease Agreement effective July 1, 2011 through June 30, 2016 states the following as it pertains to the Landlord's responsibilities for utility cost:

"Landlord shall be responsible for and pay all the utility fees used by, and directly related to the Leased Premises such as water, sewer, gas, electricity, phone service, internet service and trash removal service while in possession of the same during the Term of this Lease unless otherwise expressly agreed in writing by Tenant."

For FY 2012 through FY 2016, GSOTA paid CCI church a total of \$53,900 for these expenditures. Given the OIG was not provided with written documentation that the charter school agreed to pay CCI church for utility fees and trash removal, the OIG questions why GSOTA paid for these costs.

- **Comparison Lease(s) Analysis:** The OIG conducted an analysis comparing the original and renewed commercial lease agreement(s) between CCI and GSOTA. The OIG noted the monthly rental payments increased by 95% the first year and 65% thereafter.

Area #3: Governance Accountability

Findings:

- **Governance Board Training:** Two of GSOTA's Governing Board Members did not complete the training within the first 90 days of appointment as required by Florida Administrative Rule 6A-6.0784 Approval of Charter School Governance Training. Two of GSOTA's members did not timely complete the required (3) three year refresher training within the mandated time frame.

- **Governance Board Member Conflict of Interest: Substantiated.** A GSOTA Governing Board member conducted business with GSOTA and was paid a total of \$721.45 in monetary compensation for services provided.
- **Conflict of Interest Statements:** GSOTA was in violation of their own internal policy and Florida Statute 112.3143 (3)(a). In Paragraph 4 of Gardens School of Technology Arts Conflict of Interest Policy v1. States, ***“Each Governing Board Member will sign the school’s Conflict of Interest Statement.”*** During this investigation GSOTA did not provide the OIG with the requested Conflict of Interest Statements.
- **Governance Board Member Eligibility and Clearance: Background Screening:** No exceptions were noted. GSOTA was in compliance with both the contract and Florida Statutes related to background screening of Board Members.
- **Fingerprinting and Background Screening of Employees:** No exceptions were noted. GSOTA was in compliance with the contract and Florida Statutes related to background screening of employees.

Actions Taken:

In accordance with School Board Policy 1.092(6) (iv), a draft copy of this report was provided to the GSOTA Board for review and comments. The affected parties were given an opportunity to respond.

Office of Inspector General
The School District of Palm Beach County

Case# 16-474

Gardens School of Technology Arts

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Office of Inspector General
The School District of Palm Beach County

Case No. 16-474

Gardens School of Technology Arts

INVESTIGATIVE REPORT - FINAL

AUTHORITY

School Board Policy 1.092, Inspector General (4)(a)(iv) provides for the Inspector General to receive and consider complaints, and conduct, supervise, or coordinate such inquiries, investigations, or reviews as the Inspector General deems appropriate. The *May 18, 2011 Charter School Contract* between Gardens School of Technology Arts (GSOTA) and the Palm Beach School Board further provides for the Inspector General to conduct investigations and audits related to Gardens School of Technology Arts.

This investigation was conducted by Director of Investigations Angelette Green in compliance with the *Quality Standards for Investigations, Principles and Standards for Offices of Inspector General*, promulgated by the Association of Inspectors General. School District Auditor Supervisor Christina Seymour, CPA, performed a review of specific areas related to financial accountability.

DOCUMENTS REVIEWED

As part of this investigation, the OIG reviewed

1. Section 218.503, Fla. Stat. (*Determination of Financial Emergency*)
2. Section 286.23, Fla. Stat. (*Real property conveyed to public agency; disclosure of beneficial interests; notice; exemptions*)
3. Section 1002.345, Fla. Stat. (*Determination of Deteriorating Financial Conditions*)
4. Section 1002.33, Fla. Stat. (*Charter Schools*)
5. Section 1002.331, Fla. Stat. (*High-performing Charter Schools*)
6. Section 1002.332, Fla. Stat. (*High-performing Charter Schools systems*)
7. Section 1013.62(3), Fla. Stat. (*Authorized Purposes for the Use of Charter School Capital Outlay Funds*)
8. Section 112.3135 *Restriction of employment of relatives*
9. State Board of Education Rule, Rule 6A-1.0081, F.A.C. (*Financial Statements and Financial Conditions*)

10. State Board of Education Rule, Rule 6A-6.0784, F.A.C. (Approval of Charter School Governance Training)
11. Charter School Contract between Gardens School of Technology Arts, Inc. and the Palm Beach School Board (Term July 1, 2011 thru June 30, 2016).
12. Lease Agreement between Gardens School of Technology Arts, Inc. (Tenant) and the Covenant Centre International, Inc. (Landlord) for the period of July 1, 2011 thru June 30, 2016. (5 years-executed on July 1, 2011)
13. Lease Agreement between Gardens School of Technology Arts (Tenant) and the Covenant Centre International, Inc. (Landlord) for the period of July 1, 2016 thru June 30, 2031. (15 years- executed on April 27, 2016)
14. Financial Documents of Gardens School of Technology Arts for the period of July 1, 2011 to August 31, 2016, as follows:
 - a. FY Budgets for the stated time frame
 - b. Detailed general ledgers
 - c. Payroll Registers
 - d. Monthly Financial Statements
15. Reviewed Fiscal Years 2011-2015 Full-time Equivalent (FTE) reporting.
16. Reviewed contracts and agreements executed by Gardens School of Technology Arts and various vendors
17. Florida Dept. of Education Choice Options (TAP No: 2009-03) Funding and Financial Management of Florida's Public Charter Schools
18. Florida Dept. of Education (TAP No: 2013-97) Related to the Background Screening Requirements of Noninstructional Contractors

Relevant School Board Policies

19. School Board Policy 1.092, *Inspector General*
20. School Board Policy 2.57, *Charter Schools*
21. School Board Policy 2.21, *School Request of Payment from Students*

Other Documents

22. GSOTA On-line Payments- Student Fees
23. Memorandum dated July 1, 2016 from FDOE related to the Distribution of Charter School Capital Outlay Funds Fiscal Year 2016-17

BACKGROUND

The current contract between Gardens School of Technology Arts and the Palm Beach School Board covers a five year term from July 1, 2011 thru June 30, 2016. The contract was amended initially for contract renewal negotiations, and subsequently extended to March 31, 2017, for completion of this investigation.

Charter Schools

Section 1002.33, Florida Statutes, delineates the School District's responsibilities as a sponsoring district to monitor and oversee its charter schools. Charter schools are part of the State's program of public education. The sponsoring school board is charged with certain responsibilities including fiscal oversight and monitoring the school's revenues and expenditures. Like traditional public schools, charters schools are funded with local, state and federal tax dollars. The funding is largely derived from the Florida Education Finance Program (FEFP) in which the magnitude of funding is determined by weighted full time equivalent (FTE) / enrollment in the school during date-certain survey periods in October and February. Those public funds to operate the charter school are distributed to the school throughout the school year by the sponsoring school district. Charter schools in Florida are required to be organized as, or be operated by, a nonprofit organization. The schools typically have a tax exempt status under *Section 501(c)3 of the Internal Revenue Code* and their facilities are exempt from ad valorem taxes pursuant to *Section 196.1983, Florida Statutes*.

The School

On January 13, 2010, the Palm Beach County School Board approved the charter school application submitted by Gardens School of Technology, Inc. on behalf of Gardens School of Technology Arts. On May 18, 2011, the School Board approved the five (5) year Charter for Gardens School of Technology Arts (GSOTA). The Charter became effective upon the signing by both parties, and covered a term of five (5) years commencing July 1, 2011 and ending June 30, 2016.

Based on information found within the Charter contract between the Palm Beach School Board and GSOTA, the initial members of the Charter School Governing Board were identified as: Debra K. Moore, President; Joshua M. Wiggins, Treasurer; Kristopher E. Benz, Secretary; Melissa Stonecipher, Director; and R. Shane Vander Kooi, Director.

Based on documents with the Florida Department of State, Gardens School of Technology Arts, Inc. was founded and incorporated by Kristopher E. Benz and R. Shane Vander Kooi on August 3, 2009.

Information found on the website of Gardens School of Technology Arts states the school profile will: "offer an innovative academic environment coupled with the stability of a sound core

curriculum program, Gardens SOTA operates with a mission to provide innovative tools in a cooperative learning setting that fosters creativity and problem solving throughout the school day”.

GARDENS SCHOOL OF TECHNOLOGY ARTS	
Type	Not for Profit Corporation
Location	9153 Roan Lane Palm Beach Gardens, FL 33403
Serving Grades	K - 8
Incorporated in 2009	Shane Vander Kooi Kristopher (Erik) Benz
Registered Agent	Terrence N. Freeman II

Based upon information provided by GSOTA the Principals/Administrators of record for the school have been as follows:

School Year (SY)	Position	Name
Current	Director of Academics (Principal)	Kevin Kovacs
Current	Director of Operations	Jeanne Benz
2015-16	Director of Academics (Principal)	Kevin Kovacs
2015-16	Director of Operations	Jeanne Benz
2014-15	Director of Academics (Principal)	Kevin Kovacs
2014-15	Director of Operations	Jeanne Benz
2013-14	Director of Academics (Principal)	Kevin Kovacs
2013-14	Director of Operations	Shane Vander Kooi
2012-13	Director of Academics (Principal)	Lana Thormodsgaard
2012-13	Director of Operations	Shane Vander Kooi
2011-12	Director of Academics (Principal)	Lana Thormodsgaard
2011-12	Director of Operations	Shane Vander Kooi

Based upon information provided by GSOTA the school's Governing Board members have been as follows:

Name	Position	Term
Lori Alfrey	Member	2012 - 2014
Jon Andio *	Member	2014 - present
Lisa Cole	Secretary	2011 - present
Dave Culp	Member	2016 (2 months)
Christine Farley	Member	2014 - present
Gerald Hoenings	Treasurer	2014 - present
David Menkhaus	Treasurer	2011 - 2014
Carla Moore	Member	2014 (4 months)
Debra Moore	Chair	2011 - present
Dave Reyes	Vice Chair	2011 - present
Misi Stonecipher	Member	2011 - 2012
Joshua Wiggins ¹		

* Approved as a member by GSOTA Governing Board on July 21, 2014

School Location

GSOTA is physically located on the site of Covenant Centre International Inc. Church (CCI) located at 9153 Roan Lane Palm Beach Gardens, Florida. GSOTA is currently leasing rental space from Covenant Centre International Inc. Church. Information obtained from the Covenant Centre International, Inc. Church website indicates:

COVENANT CENTRE INTERNATIONAL, INC	
Location	9153 Roan Lane Palm Beach Gardens, FL 33403
Founded By	Norman Benz Robert Varnadore
Founding Year	1991
Pastors	Norman Benz Judy Benz Robert Varnadore - Founding Pastor Pam Varnadore - Founding Pastor Kristopher "Erik" Benz - Executive Pastor Jeanne Benz - Covenant Worship Team

¹ Joshua Wiggins was listed as a GSOTA Board Member on the initial contract, but resigned prior to the opening of the school.

THE COMPLAINT

On August 9, 2016, the Office of Inspector General (OIG) attended a meeting with Palm Beach School District Charter School Director James Pegg and Palm Beach School District Assistant General Counsel A. Denise Sagerholm regarding GSOTA. Director Pegg and Attorney Sagerholm stated the District was currently renegotiating the renewal charter contract with GSOTA and while doing so discovered GSOTA may have violated the terms of the current contract with the District. Attorney Sagerholm went on to state that GSOTA has entered into a fifteen (15) year rental lease agreement with its current landlord, Covenant Centre International, Inc. church. Attorney Sagerholm stated GSOTA did not inform the District they were entering into a fifteen (15) year rental lease agreement with the church and that the rental lease agreement between the landlord and GSOTA should have been for five (5) years as stipulated in GSOTA's current contract with the District.

Section 5: Facilities, subsection B) Compliance with Building and Zoning/Requirements, paragraph 5) Leased facilities, page 44, of the Charter School Contract between The School Board of Palm Beach County, Florida and GSOTA states, *"If the School operates in leased facilities, the lease shall be for the term of this Contract, or in lieu thereof, the School shall present a lease with a plan to ensure a facility for the duration of the Contract. The lease shall be signed by a properly authorized member of the governing board, or its designee, as documented in corresponding official governing board meetings minutes". See Exhibit 1.*

The current contract between GSOTA and the District covers a five year term July 1, 2011 thru June 30, 2016.

Attorney Sagerholm also stated that in conducting public research it appears there may be some questionable business/management relationships between the Church (Covenant Centre International Inc.) and GSOTA. Attorney Sagerholm stated the Church is pastored by Norman and Judy Benz and that Norman and Judy Benz is the mother and father of Kristopher Erik Benz who is married to Director of School Operations Jeannie Benz. Attorney Sagerholm further stated Khristopher Erik Benz along with Shane R. Vander Kooi are the original incorporators of Gardens School of Technology Arts, Inc. and that Kristopher Erik Benz currently sits on the Governing Board of the Church (Covenant Centre International Inc.) and that at one point Shane R. Vander Kooi sat on the Governing Board of GSOTA. Attorney Sagerholm stated that in Kristopher Erik Benz employment capacity at the school, he is at some point possibly supervised and or given directions by his wife Jeanne Benz, who is the school's Director of Operations.

Attorney Sagerholm stated that there may be a conflict of interest as Kristopher Erik Benz has his own for profit Finance Company and he is currently working for GSOTA. Attorney Sagerholm

stated Jeanne Benz, also has a company, "The Children's Academy" with her mother-in-law Judy Benz that conducted business with GSOTA.

Director Pegg stated he learned the school is currently undergoing a school expansion, adding additional classrooms onto the church. Director Pegg stated he was concerned because GSOTA did not inform the District the school was adding additional facilities to the church property. Director Pegg stated he also had concerns as to how and who was funding the school's expansion, the church or the school. Director Pegg and Attorney Sagerholm expressed concerns about Capital Outlay dollars being utilized for the expansion because the Church would be the property owner of the buildings and not the School.

Director Pegg and Attorney Sagerholm both expressed concerns about the new rental lease agreement between GSOTA and the Church as the monthly rental payments from GSOTA to the Church had increased significantly over the fifteen (15) year rental lease agreement.

Attorney Sagerholm stated according to GSOTA's website, the School was charging students fees for being late, volunteer hours, technology payment and registration fees to hold a spot for before and after care.

Director Pegg and Attorney Sagerholm requested the Office of Inspector General to conduct an investigation.

The OIG reviewed records and documentation for the period of July 1, 2011 through August 31, 2016.

The OIG investigation included a review of the following areas:

1. Academic Accountability
2. Financial Accountability
3. Governance Accountability

As part of this investigation, the OIG also examined the following:

4. Lease(s) Analysis Comparison
5. Did GSOTA violate the terms of the current contract with the District when it entered into a fifteen (15) year rental lease agreement with its current landlord?
6. Relationships between the Church (Covenant Centre International Inc.) and Gardens School of Technology Inc. (Hiring of Relatives)
7. Business Relationships between GSOTA and Professional Service Providers
8. School expansion.
9. Fees GSOTA are charging students.

The Church (Landlord)

Covenant Centre International Inc. is a church located at 9153 Roan Lane Palm Beach Gardens, Florida. Covenant Centre International Inc. is a Florida Not-For-Profit Corporation incorporated by Norman D. Benz and Robert Varnadore in 1992. According to information found at the Florida Department of State Division of Corporations, as of October 25, 2016 the listed officers and directors are: Norman Benz, President; Robert Varnadore, Vice President; Lee Cocuzza, Treasurer; Kristopher Benz, Secretary; and Floyd McKenzie, Officer. For a sample of historical filings of Covenant Centre International Inc. see below.

	2009	2010	2011	2012
Registered Agent	Norman Benz	Norman Benz	Norman Benz	Norman Benz
Officers	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer John Baudhuin, Secretary	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer William Fries, Secretary	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer William Fries, Secretary	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer <i>Kristopher E. Benz, Secretary</i>
Signed By	Norman Benz	Norman Benz	Norman Benz	Norman Benz

	2013	2014	2015	2016
Registered Agent	Norman Benz	Norman Benz	Norman Benz	Norman Benz
Officers	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer & Secretary	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer & Secretary	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer <i>Kristopher Benz, Secretary</i> Floyd McKenzie, Officer	Norman Benz, President Robert Varnadore, Vice President Lee Cocuzza, Treasurer <i>Kristopher Benz, Secretary</i> Floyd McKenzie, Officer
Signed By	Norman Benz	Norman Benz	Norman Benz	Norman Benz

Source: Florida Department of State-Division of Corporations

1. ACADEMIC ACCOUNTABILITY REVIEW

The school grades reported under the State of Florida’s academic accountability system since July 1, 2011 have been as follows:

School Year	Grade
2011-12	C
2012-13	C
2013-14	C
2014-15	A
2015-16	C

Findings: GSOTA’s school grades have been consistent, since inception.

The school’s student enrollment since July 1, 2011 have been as follows:

SY 2015-16		SY 2014-15		SY 2013-14		SY 2012-13		SY 2011-12	
Oct-15	Feb-16	Oct-14	Feb-15	Oct-13	Feb-14	Oct-12	Feb-13	Oct-11	Feb-12
273	266	224	236	218	229	171	171	136	131

Source: GSOTA Based on FTE Schedule (Survey 2 & 3)

Findings: Student Enrollment has increased steadily since inception.

2. FINANCIAL ACCOUNTABILITY REVIEW

School District Auditor Supervisor Christina Seymour, CPA, was asked to performed a review of the below specific areas related to financial accountability.

- Did GSOTA experience any financial emergencies as stipulated in Florida Statute 218.503?
- Reporting of Student Full Time Equivalent (FTE) Count and Revenue Verification
- Capital Outlay Funds
- Expenses related to the Lease Agreement
- Financial review of related party transactions for contracted Professional Services Providers

The scope of the OIG's financial review covered the time period of July 1, 2011 through August 31, 2016.

FINDINGS & CONCLUSIONS

2A. Did GSOTA experience any financial emergencies as stipulated in Florida Statute 218.503?

Financial Emergency. Per *Florida Statute §218.503(1)*, a financial emergency exists when any one of the following conditions occurs in a charter school's financial operations:

1. Failure within the same fiscal year, in which due, to pay short-term loans or failure to make bond debt service or other long-term debt payments when due, as a result of a lack of funds.
2. Failure to pay uncontested claims from creditors within 90 days after the claim is presented, as a result of a lack of funds.
3. Failure to transfer at the appropriate time, due to lack of funds:
 - a. Taxes withheld on the income of employees; or
 - b. Employer and employee contributions for:
 - i) Federal social security; or
 - ii) Any pension, retirement, or benefit plan of an employee.
4. Failure for one pay period to pay, due to lack of funds:
 - a. Wages and salaries owed to employees; or
 - b. Retirement benefits owed to former employees.

Based on the OIG's review of GSOTA charter school's independent CPA's annual financial statement audit reports for FY 2012 through FY 2016, GSOTA did not meet any of the conditions described in *Florida Statute §218.503(1), Financial Emergency. No exceptions were noted.*

2B. Reporting of Student Full Time Equivalent (FTE) Count and Revenue Verification

FEFP Funding & FTE Mid-Year Counts

GSOTA's *Charter Contract*, specifically *Section 4.A.1.a "Financial Accountability,"* provides that the primary basis for funding for the charter school's operations is its proportionate share of funds from the "*Florida Education Funding Program – FEFP.*" At the start of a charter school's operations, Full Time Equivalent (FTE) is based on the charter school's projected student enrollment. Once the school year begins, FTE is revised based on actual counts of student enrollment and attendance during an eleven (11) day, Florida Department of Education (FDOE) specified, FTE survey period taken in October and February of each school year.

Additionally, charter schools are required to report its student enrollment to its Sponsor, (i.e., the District) in accordance with the policies and procedures specified in *Florida Statute §1011.60, “Minimum requirements of the Florida Education Finance Program - FEFP.”* For example, the charter school is required to use the District’s electronic data processing system and procedures for the processing of student enrollment, attendance, FTE collection, etc.

The provisions of *Florida Statutes §1011.62, “Funds for operation of schools,”* requires the District to report the number of full-time equivalent (FTE) students and related data to the FDOE for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods, as previously stated above.

FEFP Funding Received by GSOTA

For FY2011 - 12 through FY2015 -16, the OIG reviewed the amount of FEFP funds the School District paid to GSOTA based on the charter school’s student count. **Table 1** below summarizes the total FEFP funds the GSOTA charter school received for the period reviewed.

Table 1

FEFP PAYMENTS ISSUED TO GSOTA		
YEAR #	FISCAL PERIOD	TOTAL PAID
1	FY 2011 -12	\$ 745,547.00
2	FY 2012 –13	1,013,891.00
3	FY 2013 -14	1,387,738.00
4	FY 2014 -15	1,458,219.27
5	FY 2015 -16	\$ 1,737,663.11

Accuracy of FTE Counts for GSOTA

For School Year (SY) 2011 - 12 through SY 2015 -16, the OIG verified the accuracy of the mid-year student attendance counts by comparing the FTE counts provided to the OIG by GSOTA to the “Enrollment Summary” records in the District’s TERMS database. Our objective was to verify that GSOTA did not over-report FTE student attendance counts and ensure GSOTA’s FTE revenues were computed correctly.

Table 2 below summarizes the FTE counts for students attending GSOTA charter school for the SY 2011 -12 through SY 2015 – 16 as noted in the District’s TERMS database:

Table 2

GSOTA FTE STUDENT COUNTS		
FISCAL YEAR	OCTOBER MID-YEAR COUNT	FEBRUARY MID-YEAR COUNT
2011 - 2012	136	131
2012 - 2013	178	178
2013 – 2014	234	229
2014 – 2015	234	236
2015 - 2016	273	266

Based on inquiry of Distract staff and review of GSOTA's enrollment count records in TERMS, GSOTA's FTE was accurately reported for the FY 2012 through FY 2016. ***No exceptions were noted.***

2C. Capital Outlay Funds Received by GSOTA Charter School

Charter School Capital Outlay funds are annually allocated to eligible charter schools by the Florida Commissioner of Education. The funding received under this program are based on the School’s actual and projected student enrollment during the fiscal year.

Each year the Florida Department of Education (FDOE) releases an online application, which eligible charter schools must complete and submit to FDOE. The charter school's sponsor is required to review the application and provide a recommendation to the FDOE Department. The Commissioner of Education makes the final eligibility determination for a given charter school.

Florida Statute §1013.62, “Charter Schools Capital Outlay Funding,” governs the appropriation and use of capital outlay funding for those charter schools which meet the eligibility criteria set forth in the Florida Statutes. This statute establishes the criteria a charter school is required to meet in order to be eligible to receive capital outlay funds. The School must:

1. Have been in operation for 2 or more years.
2. Be governed by a governing board established in the state for 3 or more years, which operates both charter schools and conversion charter schools within the state.

3. Be an expanded feeder chain of a charter school within the same school district that is currently receiving charter school capital outlay funds.
4. Have been accredited by the Commission on Schools of the Southern Association of Colleges and Schools.
5. Have an annual audit that does not reveal any of the financial emergency conditions provided in s. 218.503(1) for the most recent fiscal year for which such audit results are available.
6. Have satisfactory student achievement based on state accountability standards applicable to the charter school.
7. Have received final approval from its Sponsor pursuant to *Florida Statute [1002.33](#), Charter Schools*, for operation during that fiscal year.
8. Serve students in facilities that are not provided by the charter school's sponsor.

Florida Statute §1013.62(a) states a charter school's governing body may use charter school capital outlay funds for the following purposes:

1. Purchase of real property.
2. Construction of school facilities.
3. Purchase, lease-purchase, or lease of permanent or relocatable school facilities.
4. Purchase of vehicles to transport students to and from the charter school.
5. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer.
6. Effective July 1, 2008, purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support school-wide administration or state-mandated reporting requirements.
7. Payment of the cost of premiums for property and casualty insurance necessary to insure the school facilities.
8. Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

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We reviewed the FDOE’s Office of Independent Education & Parental Choice website and verified that the charter school, “Gardens School of Technology Arts, Inc. – GSOTA,” submitted “Charter School Capital Outlay” applications for three (3) consecutive years to the FDOE. A review of these applications indicated that GSOTA intended to use the capital outlay funds for statutorily authorized purpose, as documented in **Table 3** below:

Table 3

TYPES OF EXPENSES GSOTA INDICATED CAPITAL OUTLAY FUNDS WOULD BE USED FOR ²	
FY	Description of expenditures to be paid for with Capital Outlay \$
2014	<ol style="list-style-type: none"> 1. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 2. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 3. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities. <i>See Exhibit 29</i>
2015	<ol style="list-style-type: none"> 1. Construction of school facilities 2. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 3. Purchase of vehicles to transport students to and from the charter school. 4. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 5. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities. <i>See Exhibit 30</i>
2016	<ol style="list-style-type: none"> 1. Construction of school facilities. 2. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 3. Purchase of vehicles to transport students to and from the charter school. 4. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 5. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities. <i>See Exhibit 31</i>

² Information is based on GSOTA’s FDOE Capital Outlay Fund Applications for FY 2014, FY 2015 and FY 2016.

Table 4 below provides a summary of each of GSOTA's capital outlay funding applications submitted to the FDOE and the amount of capital outlay funds the charter school received for FY 2014-2015, FY 2015-2016 and FY 2016-2017:

Table 4

SUMMARY OF GSOTA CAPITAL OUTLAY APPLICATIONS & FUNDING AS APPROVED BY FDOE ³				
FY	Date Plan Submitted	Date Certified by District	Date Certified by FDOE	Capital Outlay Funds
2014-2015	04/25/14	-	08/27/14	\$ 71,742
2015-2016	07/01/15	08/03/15*	08/31/15	39,516
2016-2017	07/12/16	08/04/16*	09/17/16	87,983 ⁴
			TOTAL	\$ 199,241

* The 2015 and 2016 Capital Outlay Plans were Certified by school district charter school principal Ariel Alejo. The 2014 Capital Outlay Plan was acknowledged by school district representative Miriam Williams.

Actual Total Capital Outlay Funds Received per District Records

OIG obtained a schedule of all monthly capital outlay payments from the District's Accounting Services Department and determined that GSOTA received a total of \$143,830 in capital outlay funding for FY 2014-2015, FY 2015-2016 and FY 2016-2017 as of November 1, 2016.

³ Source of information: FDOE's "Office of Independent Education & Parental Choice" website.

⁴ Source of Information: FDOE 2016-17 Charter School Capital Outlay Disbursements. Per FDOE website, GSOTA's total estimated allocation for FY17 capital outlay funds is \$87,983 as of February, 2017.

Table 5 below provides a detail breakdown of the capital outlay funds disbursed to GSOTA by the School District:

Table 5

FY	Capital Outlay Funds Issued to GSOTA By the District
2015	\$ 71,742
2016	39,516
2017	32,572 ⁵
TOTAL	\$ 143,830

GSOTA's **Charter Contract**, dated May 18, 2011, addresses charter school capital outlay funds in **Section 4: Financial Accountability, (A) Revenue, (4) Charter School Capital Outlay Funds**. Specifically, the Charter Agreement states as follows:

*“Application: The Charter School may be eligible for school capital outlay funding as per sections 1002.33(20), and 1013.62, F.S. Prior to release of capital outlay funds from the Sponsor to the Charter School, the Charter School **must** provide the Sponsor a capital outlay plan with proposed capital expenditures. If the charter school is non-renewed or terminated, any unencumbered funds and all equipment and property purchased with public funds shall revert to the ownership of the Sponsor as provided for in Section 1002.33(8)(e), F.S.”*

On December 16, 2016, the OIG inquired of the District Charter School Department as to whether the District had received capital outlay plans with proposed capital expenditures from the GSOTA charter school. We were informed that the Charter School Department does not maintain Charter School Capital Outlay Funding applications nor does the department have records from GSOTA for capital outlay plans or related expenditures.

2D. Expenses related to the Lease Agreement

On July 1, 2011, GSOTA entered into a Lease Agreement with CCI to lease space for GSOTA's charter school facility. The school is located within the confines of the CCI church property and therefore both entities share the same property address of 9153 Roan Lane, West Palm Beach, FL 33403.

⁵ As of January 2017

The Lease Agreement spanned the 5 year period of July 1, 2011 through June 30, 2016, coinciding with the original GSOTA Charter Agreement's five-year term. The agreement reflects a tier payment system to CCI church for its school facilities where the first year monthly payments totaled \$9,166.67, totaling \$110,000 annually. The remaining four years, monthly payments totaled \$10,833.33, totaling \$129,999.96 annually (\$519,999.84 over 4 years). Thus, the total cost to lease GSOTA's charter school facilities from CCI church for the original 5-year Lease Agreement was \$629,999.

OIG Analysis of Lease Payments to CCI from GSOTA Charter School

For the period of July 1, 2011 through August 31, 2016, a total of \$691,719.88 was paid to CCI church by GSOTA for its school facility lease. **Table 6** below summarizes the OIG's analysis of the annual lease payments GSOTA paid to CCI church to rent the charter school's facilities located within the CCI church's premises.

Table 6

FISCAL YEAR	PAYEE	TOTAL LEASE PAYMENTS
2011 – 2012	CCI Church	110,000.04
2012 – 2013	CCI Church	129,999.96
2013 – 2014	CCI Church	140,833.29
2014 – 2015	CCI Church	129,999.96
2015 – 2016	CCI Church	119,166.63 under by (10,833.33)
2016 – 2017	CCI Church	61,720.00 ⁶
TOTAL		\$691,719.88

Additionally, the OIG reviewed the corresponding cancelled check payments and noted that "Jeanne Benz," Director of Operations for GSOTA and a member of CCI Church's worship team, signed 11 of the 27 check payments issued to CCI Church in calendar year 2012. **See Exhibit 1A.**

Analysis of GSOTA Payments to CCI Church Classified as "Other Expenses"

The OIG reviewed GSOTA's accounting records to determine the nature of expenditures categorized as "**Other Expenses**," which were paid to CCI church. Based on our review, the majority of "Other Expenditures" were for payments to CCI church for telephone utilities and janitorial services; school facility expansion; and charter school improvements such as repair of doors, construction of classroom walls, landscaping, etc. **Table 8** below summarizes the results of the OIG's analysis "Other Expenditures" paid to CCI church by GSOTA charter school.

⁶ On July 1, 2016, GSOTA issued two check payments to CCI Church: \$21,910 and \$17,900. On August 1, 2016, GSOTA paid \$21,910 CCI Church. All three check payments had dual signatures from GSOTA Governing Board Members.

TABLE 8

FY	PAYEE	EXPENSE TYPE	TOTAL AMOUNT
2012 - 2016	CCI Church	Telephone / janitorial	\$ 53,900.36
2015 - 2016	CCI Church	School facility expansion	66,295.80
2012 - 2015	CCI Church	School repairs / improvements	59,330.74
2015	CCI Church	School Banner & Play Bill Ad	497.50
		TOTAL	\$180,024.40

Findings: Payments of Utilities by GSOTA Inconsistent with Lease Agreement for Charter School Facility

Article X, Utilities, of the Lease Agreement effective July 1, 2011 through June 30, 2016 states the following as it pertains to the Landlord’s responsibilities for utility costs:

“Landlord shall be responsible for and pay all the utility fees used by, and directly related to the Leased Premises such as water, sewer, gas, electricity, phone service, internet service and trash removal service while in possession of the same during the Term of this Lease unless otherwise expressly agreed in writing by Tenant.”

Based on the OIG review of GSOTA’s supporting documentation, we noted that CCI church issued a monthly statement to the charter school which invoiced GSOTA for telephone service, the cost of cleaning supplies and the associated labor for the charter school facilities. For FY 2012 through FY 2016, GSOTA paid CCI church a total of \$53,900 for these expenditures. Given the OIG was not provided with written documentation that required the charter school to pay CCI church for utility fees and trash removal, the OIG questions the justification why GSOTA paid for these costs.

Other Expenses Reviewed

Total Costs of \$11,539 for Architect & Engineer Consultant Agreements passed through to GSOTA by CCI Church

The OIG reviewed a Proposal for Professional Services submitted by the engineering firm of “Simons & White, Inc.” (Consultant) to CCI (Client), which was dated April 9, 2015 and addressed to Erik Benz. The scope of services included site plan changes and engineering related issues for a drainage report with a total cost of \$700. The Proposal was accepted and signed by Erik Benz, as Director for CCI on April 9, 2015. **See Exhibit 2.**

The OIG reviewed a second fee estimate submitted to CCI on April 14, 2015 from the landscape architect firm of “Cotleur & Hearing Landscape Company.” The fee estimate was emailed to Erik Benz by Cotleur & Hearing with an attached itemization of the services to be provided and

the associated fees, which totaled \$10,838.58. Per the email from Cotleur & Hearing, CCI church was instructed to make its payment payable to “PBC BOCC” (i.e. the Palm Beach County Board of County Commissioners.) See Exhibit 3.

Based on review of GSOTA’s accounting records and supporting documentation, the OIG found Invoice 903 from CCI church to GSOTA dated April 14, 2015, which requested GSOTA to pay CCI church a total of \$11,538.58 for land development and engineering fees. Table 9 below provides a detailed breakdown of CCI church’s Invoice 903 to the charter school. See Exhibit 4.

TABLE 9

Qty.	DESCRIPTION	UNIT PRICE
1	Land Development Application Fee for Fees associated with Application for Rezoning as per Palm Beach County Board of County Commissioners and Palm Beach County Building & Zoning (Cotleur & Hearing)	\$ 10,838.58
1	Engineering Fees for Drainage Report (Simons & White)	700.00
	TOTAL	\$ 11,538.58

Below are the areas/uses and square footage of the various programs as indicated in the planning documents of “Cotleur & Hearing Landscape Company” as submitted to Palm Beach County.

AREA/USES	SQUARE FOOTAGE (SF)	% of TOTAL
1. Place of Worship	6,986 SF	20%
2. Daycare	1,302 SF	4%
3. Charter School	20,260 SF	56%
4. Accessory	7,052 SF	20%
TOTAL SQUARE FOOTAGE	35,600 SF	100%

3. GOVERNANCE ACCOUNTABILTIY REVIEW

The OIG examined the following areas related to governance accountability:

3A. Governance Board Training

Florida Administrative Rule 6A-6.0784 Approval of Charter School Governance **Training Section (1) (b) states**, “Each governing board member must complete a minimum of four (4) hours of instruction focusing on government in the sunshine, conflicts of interest, ethics, and financial

responsibility as specified in Section 1002.33 (9)(k), F.S. After the initial four (4) hour training, each member is required within the subsequent three (3) three years and for each three (3) year period thereafter, to complete a two (2) hour refresher training on the four (4) topics above in order to retain his or her position on the charter school board. Any member who fails to obtain the two (2) hour refresher training within any three (3) year period must take the four (4) hours of instruction again in order to remain eligible as a charter school board member” and **Section (1) (c)** states, “New members joining a charter school board must complete the four (4) hour training within 90 days of their appointment to the board.”

Section 8: Governance subsection (B) Governing Board Responsibilities paragraph (12) Governance Training of the charter contract between The School Board of Palm Beach County, Florida and Gardens School of Technology Arts states, “ The School’s governing board members shall participate in charter school governance training, facilitated by the Sponsor or an approved Florida Department of Education vendor, pursuant to state law.”

Based upon information provided by GSOTA, the OIG conducted an analysis of the governance board training and compiled the below chart:

Name	Position	Term	Completed Required Training within 90 Days of Appointment	Completed Required Refresher Training Every 3 Years	New Member Board Approval Date	Date of First Training	Date of Refresher Training
Alfrey, Lori	Member	2012 - 2014	Yes	N/A	09/17/12	12/25/12	
Andio, Jon	Member	2014 - Present	Yes	N/A	07/21/14	10/15/14	
Cole, Lisa	Secretary	2011 - Present	Yes	No *	12/19/11	12/12/11	03/09/15
Culp, Dave	Member	2016 (2 months)	N/A	N/A	01/11/16		
Farley, Christine	Member	2014 - Present	Yes	N/A	10/13/14	01/01/15	
Hoenings, Gerald	Treasurer	2014 - Present	No	N/A	01/01/14	07/29/14	
Menkhaus, David	Treasurer	2011 - 2014	Yes	N/A	06/29/11	08/22/11	
Moore, Carla	Member	2014 (4 months)	No	N/A	07/21/14		
Moore, Debra	Chair	2011 - Present	Yes	Yes	06/29/11	08/08/11	08/06/14
Reyes, Dave	Vice Chair	2011 - Present	Yes	No **	12/19/11	02/01/12	06/08/15
Stonecipher, Misi	Member	2011 - 2012	Yes	N/A	06/29/11	08/19/11	

Source: Information received from GSOTA

* Refresher training completed approximately 3 years and 2 months after initial training

** Refresher training completed approximately 3 years and 5 months after initial training

Attorney Kathleen W. Schoenberg provided Charter School Governance Training to the above Board Members. Attorney Schoenberg is an approved Florida Department of Education vendor.

Findings: Some of GSOTA’s Governing Board Members (i.e. Gerald Hoenings and Carla Moore) did not complete the training within the first 90 days of appointment as required by Florida

Administrative Rule 6A-6.0784 Approval of Charter School Governance Training. Finally, some of the Governing Board members did not timely complete the required three (3) year refresher (i.e. Lisa Cole and David Reyes).

On April 3, 2017 as part of their written response, GSOTA provided the OIG with additional information related to Board Members Lori Alfrey, Dave Menkhaus and Misi Stonecipher. The additional information provided evidence that Alfrey, Menkhaus, and Stonecipher were in compliance with completing the required training within 90 days of Board appointment. GSOTA provided no additional information that evidenced Board members Lisa Cole and David Reyes completed their required refresher training within the mandated time frame. See GSOTA's Exhibit #2.

3B. Governance Board Member Conflict of Interest

Board Member Jon Andio was appointed to the GSOTA Governing Board on July 21, 2014. Jon Andio received Charter School Governance Training on October 15, 2014 from Attorney Kathleen W. Schoenberg. According to information received from GSOTA, 1 Stop Generator Shop is a vendor who has currently performed worked on the campus of GSOTA. According to records found on the State of Florida, Division of Corporations website, 1 Stop Generator Shop is a Florida Profit Corporation incorporated by Jon E Andio. Jon Andio is listed at the President of the Corporation. 1 Stop Generator Shop was incorporated on July 06, 2006.

According to GSOTA,'s website, under the Governing Board section, Jon Andio is listed as a Board Member. Jon Andio bio reads "*Jon Andio is a licensed electrician, working in the electrical trades for well over 20 years, and working as a Master Electrician since 1999. He is the owner/operator of 1 Stop Generator Shop, a local family-owned business operating in Palm Beach Count since 2005. Jon has been a Board Member since 2014 and, along with his wife Jessica, is also an active member of the school's Parent Teacher Organization (PTO) since 2012. Jon and Jessica have three children, two of which have attended the school since its inception*"

Based upon information received from GSOTA, Jon Andio, 1 Stop Generator conducted business with GSOTA and was paid the following monetary compensation for services provided:

Type	Date	Number	Name	Memo	Debit	Amount
Check	10/31/13	10674	1Stop Generator Shop	Invoice # 4891	Non-Capitalized Computer Hardware	460.00
Check	11/13/13	7102	1Stop Generator Shop	Staples Reimbursement	Other Materials and Supplies	124.93
Check	12/05/13	10704	1Stop Generator Shop	Invoice # 2669	Non-Capitalized Computer Hardware	415.41
Check	04/29/14	10799	1Stop Generator Shop	Invoice # 5425	Repairs and Maintenance	816.00
Check	***08/19/15	11229	1Stop Generator Shop	Invoice # 6852	Repairs and Maintenance	356.96
Check	***01/12/2016	11401	1Stop Generator Shop	Invoice # 12733	Repairs and Maintenance	364.49

*** Denotes Jon Andio conducting business with GSOTA as an active Governing Board Member

On January 24, 2017, the OIG conducted an interview with Director Jeanne Benz. Director Benz stated GSOTA continued to utilize 1 Stop Generator Shop after Jon Andio was elected to GSOTA’s Governing Board because he was a part of the school’s family and the school had used him a couple of times before for small jobs. Director Benz stated the payments to him and his company were below the allowable amounts for those sort of transactions. Director Benz stated the allowable amount was \$500 per year. Director Benz stated 1 Stop Generator provided electrical services for the school. Director Benz stated Jon Andio did receive Governance Board training. As depicted in an earlier chart, Jon Andio received Governance Training on October 15, 2014.

Section 8: Governance, subsection B) Governing Board Responsibilities, paragraph 9) Governing Board Compensation, page 53, of the Charter School Contract states, ***“No member of the School’s governing board shall receive compensation, directly or indirectly, from the School’s operations, including but not limited to grant funds.”***

GSOTA provided the OIG with a copy of their Gardens School of Technology Arts Conflict of Interest Policy v1. Paragraph 3 of said policy states, *“Governing Board Members shall not receive any monetary compensation or beneficial interest for their services nor shall they or their immediate family members, as defined by Florida Senate Bill 278, have any personal or financial interest in the school other than their own monetary donations to the school.”* See Exhibit 5.

Findings: Governance Board Member Conflict of Interest was substantiated.

3C. Conflict of Interest Statements:

The OIG requested a copy of all Conflict of Interest statements signed by all Governing Board Members for the period of July 1, 2011 thru August 31, 2016. As of March 3, 2017, the OIG has not received the requested documents. According to GSOTA’s written response, “Conflict of Interest statements were not applicable per F.S.S. 1002.33(26) (b)”.

GSOTA is correct that Florida State Statute 1002.33 (26) does not apply to them, as it applies to members of a governing board of a charter school operated by a municipality or other public entity. However, Florida Statute 112.3143(3)(a) does apply to GSOTA, and provides:

(3)(a) No county, municipal, or other local public officer shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss; which he or she knows would inure to the special private gain or loss of any principal by whom he or she is retained or to the parent organization or subsidiary of a corporate principal by which he or she is retained, other than an agency as defined in s. 112.312(2); or which he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Such public officer shall, prior to the vote being taken, publicly state to the assembly the nature of the officer’s interest in the matter from which he or she is abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.

In addition, Paragraph 4 of *Gardens School of Technology Arts Conflict of Interest Policy v1.* states, *“Each Governing Board Member will sign the school’s Conflict of Interest Statement.”* See Exhibit 5.

Findings: Based upon the aforementioned GSOTA may be in violation of their own internal policy and Florida Statute 112.3143 (3)(a).

3D. Governance Board Member Eligibility and Clearance: Background Check Screening

Section 8: Governance, subsection (G) Identification of Governing Board Members, paragraph (2) Governing Board Member Eligibility and Clearance, page 55 of the contract with the Palm Beach County School District and GSOTA states, *“ The School’s governing board members shall be fingerprinted by the Sponsor within thirty (30) days of execution of the School’s Contract. Board members appointed to*

the governing board after the approval of the School’s Contract must be fingerprinted within thirty (30) days of their appointment. The cost of fingerprinting shall be borne by the School by the School or the governing board member. The governing board agrees to dismiss governing board member whose fingerprint check results reveal non-compliance with standards of good moral character. Any change in governing board membership must be reported to the Sponsor. “

The OIG requested the Palm Beach County School District Police Department review the fingerprinting and background screening of all active and inactive GSOTA Governing Board Members for the time period of July 1, 2011 thru August 31, 2016. Based upon information received from School Police, they identified three (3) of GSOTA’s Board Members as never being background screened.

Name	Position	Term	Level II Background Screened
Alfrey, Lori (Bush)	Member	2012-2014	Yes
Andio, Jon	Member	2014-present	Yes
Cole, Lisa	Secretary	2011-present	Yes
Culp, David	Member	2016- (2 months)	Yes—not for Board Member
Farley, Christine	Member	2014-present	Yes
Hoenings, Gerald	Treasurer	2014- present	Yes
Menkhaus, David	Treasurer	2011-2014	Yes
Moore, Carla	Member	2014- (4 months)	Yes
Moore, Debra	Chair	2011-present	Yes
Reyes, Dave	Vice Chair	2011-present	Yes
Stonecipher, Misi	Member	2011-2012	Yes

Source: Information received from School Police on October 28, 2016 and February 1, 2016

On April 3, 2017 as part of their written response, GSOTA provided the OIG with additional information related to Board members Lori Alfrey, David Menkhaus and Misi Stonecipher being background checked. The additional information provided evidence that Alfrey, Menkhaus and Stonecipher were screened by School Police. See GSOTA’s Exhibit #3.

On April 5, 2017, the OIG forwarded the information received from GSOTA to School Police so that they may reexamine their records. See Exhibit #42.

On May 18, 2017 School Police provided the OIG with additional information. According to information received from School Police” a further review of the fingerprinting history of the following subjects, indicates that they were fingerprinted as follows:

<u>Applicant</u>	<u>Date Fingerprinted</u>
Lori Busch	10/24/2012
David J. Menkhaus	07/21/2011
Melissa D. Stonecipher	07/19/2011

Findings: Based upon the subsequent information received from the Palm Beach School District Police Department, the OIG finds GSOTA to be in compliance with both the contract and Florida Statutes related to background screening of Board Members. No exceptions were noted.

3E. Fingerprinting and Background Screening of Employees

Section 10: Human Resources subsection (A) Hiring Practices, paragraph (4a) page 58 of the charter school contract between The School Board of Palm Beach County, Florida and Gardens School of Technology Arts states, *“Pursuant to Fla. Statute 1012.32(2)(a), 1012.465, and 435.04, the School shall fingerprint for level 2 screening of all applicants, for instructional and non-instructional positions, that the School is interested in employing. Additionally, the School agrees that each of its employees, representatives, agents, subcontractors, or suppliers who are permitted access on school ground when students are present, who have direct contact with students or who have access to or control of school funds must meet level 2 screening requirements as described in Fla. Statute 1012.32 and 435.04”.*

Findings: The OIG reviewed the fingerprinting and background screening of all active and terminated employees for the time period of July 1, 2011 thru August 31, 2016. Based upon information received from the Palm Beach County School District Police Department, the OIG found GSOTA to be in compliance with both the contract and Florida Statutes related to background screening of employees. No exceptions were noted.

4. COMPARISON LEASE(S) ANALYSIS

The OIG conducted an analysis comparing the original and renewed commercial lease agreement(s) between CCI and GSOTA. The OIG noted the monthly rental payments increased by 95% the first year and 65% thereafter based upon the OIG analysis. For details see below.

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**Analysis of Commercial Lease Agreement between GSOTA & Covenant Central International Inc.
(Church)**

	ORIGINAL LEASE	RENEWED LEASE
Landlord	Covenant Centre International	Covenant Centre International
Tenant	Gardens School of Technology Arts	Gardens School of Technology Arts
Commencement Date	07/01/11	07/01/16
Termination Date	06/30/16	06/30/31
Term	5 years	15 years
Monthly Cost	year (1): \$9166.67 years (2-5) \$10,833.33	monthly -- \$17,900.00
Total Lease	\$629,999.88 (lease duration)	\$3,222,000.00 (lease duration)
Utilities Responsibilities	Landlord (church) responsible for utilities	Tenant responsible for 65% of utilities required to operate the property (averaged annually). Landord responsible for 35% of utilities to operate the property (averaged annually)
Lease Signed By	Debra K. Moore, President, Board of Directors (Gardens School of Technology Arts) Norman Benz, President (Covenant Centre International)	David Reyes, Vice President (Gardens School of Technology Arts) Robert Varnadore, Vice President (Covenant Centre International)
Date Contract Signed	July 1, 2011	April 26-27, 2016

Source: Contract agreements

On December 8, 2016, Director Benz provided the OIG with a copy of a written explanation of GSOTA Use of Facilities and Lease Payment Schedules.

According to the GSOTA’s Use of Facilities document, *“the fifteen year lease effective July 1, 2016 included an increase in monthly rate for space currently used as well as an increase to reflect 3,500 sq. ft of new space, which was intended for use this fiscal year. Construction has been delayed due to the protracted charter renewal process and the requirement of a signed charter contract to enable the landlord to secure necessary financing for project completion...”*. For further details see below.

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12/8/2016 from:
J. Penz



**Gardens School
OF TECHNOLOGY ARTS**

Educating Young Innovators for the 21st Century

Explanation of GSOTA Use of Facilities and Lease Payment Schedules

The table below illustrates the payment schedule for lease of property at 9153 Roan Lane, Palm Beach Gardens, Florida from July 1, 2011 – June 30, 2016 by Gardens School of Technology Arts. The square footage indicated as 'utilized' includes interior spaces without common areas (4000 ft²) and does not include the extensive outdoor spaces used by GSOTA's students. The commercial market lease value used for comparison is very conservative. In addition, the most significant utilities were paid by the landlord for FY's 2012-2016.

School Year	Interior space utilized	Annual rent	Cost	Mkt value of commercial lease property	Annual savings to GSOTA related to rent	Annual savings to GSOTA related to utilities (estimate)
FY12	12,400 ft ²	\$110,000	\$8.87/ft ²	\$17.00/ft ²	\$110,800	\$25,500
FY13	13,700 ft ²	\$130,000	\$9.49/ft ²	\$17.00/ft ²	\$102,900	\$32,000
FY14	16,950 ft ²	\$130,000	\$7.67/ft ²	\$17.00/ft ²	\$158,150	\$35,500
FY15	18,950 ft ²	\$130,000	\$6.86/ft ²	\$17.00/ft ²	\$192,150	\$37,500
FY16	21,600 ft ²	\$130,000	\$6.02/ft ²	\$17.00/ft ²	\$237,200	\$39,000

The lease effective July 1, 2016 included an increase in the monthly rate for space currently used as well as an increase to reflect 3,500 ft² of new space, which was intended for use this fiscal year. **Construction has been delayed due to the protracted charter renewal process and the requirement of a signed charter contract to enable the landlord to secure necessary financing for project completion.**

School Year	Interior space utilized	Annual rent	Cost	Mkt value of commercial lease property	Annual savings to GSOTA related to rent	GSOTA to pay a proportional % of utilities
FY17	25,100 ft ²	\$214,800	\$8.55/ft ²	\$18.00/ft ²	\$237,000	65%

The market valuation of \$18.00/ft² is remains conservative, with commercial properties leasing for \$18-\$22 in our area. Even with the increase in rent payment, the amount of school funds being conserved through GSOTA's lease agreement with the current landlord is profound and contributes to a very sound financial condition for our public charter school.

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4A. Did GSOTA violate the terms of the current contract with the District when it entered into a fifteen (15) year rental lease agreement with its current landlord?

The Charter School Agreement between The School Board of Palm Beach County, Florida and Gardens School of Technology Arts Inc. on behalf of Gardens School of Technology Arts was entered into on March 18, 2011 for the term of July 1, 2011 thru June 30, 2016.

Facilities

Section 5: Facilities, subsection B) Compliance with Building and Zoning/Requirements, paragraph 5) Leased facilities, page 44 of the charter school contract between The School Board of Palm Beach County Florida and GSOTA, **states**, *“If the School operates in leased facilities, the lease shall be for the term of this Contract, or in lieu thereof, the School shall present a lease with a plan to ensure a facility for the duration the Contract. The lease shall be signed by a properly authorized member of the governing board, or its designee, as documented in corresponding official governing board meetings minutes”.*

According to the District’s Charter School Director Jim Pegg and Attorney Sagerholm, GSOTA executed a fifteen (15) year rental lease agreement with Covenant Centre International Inc. on April 27, 2016 without properly notifying the School District. The term of the new lease began on July 1, 2016 and will terminate on June 30, 2031. **See Exhibit 6.** Further on May 9, 2016, GSOTA submitted a written request for a 15-year term renewal with the District stating that they were **still** in the “process of negotiating a long-term lease”, when in fact the new Lease Agreement had already been approved and executed by GSOTA and the Covenant Centre International Inc. approximately two (2) weeks earlier on April 27, 2016. The written request was signed by GSOTA’s Board Chair Debra Moore. **See Exhibit 7.**

It should be noted that March 2, 2016, the School Board approved GSOTA’s charter renewal, authorizing the Superintendent to sign all the related agreements for the renewal. The agenda cover item further provided in part “The School Board’s approval of the Charter Renewal indicates an agreement to enter into charter contract negotiations, and if successfully negotiated by Legal and approved by the School Board, will result in entering into a Charter Contract.” **See Exhibit 8.**

On January 26, 2017, the OIG received a written clarification from GSOTA regarding the 15 year rental lease agreement with the Landlord without prior notification to the School Board. The clarification states, *“The School’s charter, Florida law, and applicable regulations do not require prior notification; also it is neither standard practice nor industry custom for a charter school to provide notice to a school board prior to executing a lease. In short, there is no reason why GSOTA would have notified the School board prior to entering into a lease. Importantly, the fact that the school was in the process of negotiating a 15-year lease was specifically discussed with School Board representative during a meeting on April 14, 2016. Attached is a letter providing further information*

on this issue. “ For details see the letter below dated September 16, 2016 from the law offices of Kathleen W. Schoenberg. **See Exhibit 9.**

The OIG posed the following questions to Director Benz related to the fifteen (15) year lease agreement and received the following responses:

Question(s):

- a. Is the expansion for the additional classrooms contingent upon a 15 year charter with the School Board?

Benz’ Response: The GSOTA expansion project necessitates that long-term financing be secured by the landlord, and a 15 year charter provides the best security for justifying this investment in the property.

- b. Why did GSOTA enter into a 15 year rental agreement with the Landlord versus a 5 or 10 year rental agreement?

Benz’ Response: It is prudent business practice for a charter school to enter into a long-term lease because it secures the site for future operations. In addition, the school intended to seek a 15 year charter renewal. This was discussed with representatives of the School Board at a meeting on April 14, 2016 (prior to lease execution), and at that time there was no indication that the school wouldn’t qualify for a 15-year contract. **See Exhibit 10.**

Both District staff and attorney and GSOTA’s staff and attorney indicate the parties had numerous meetings related to the negotiations of the contract renewal. **See Exhibit 9**, the letter dated September 16, 2016 from the law offices of Kathleen W. Schoenberg, and **Exhibit 11**, letter dated September 15, 2016 from Assistant General Counsel A. Denise Sagerholm. It appears negotiations occurred between April 14, 2016 through July 26, 2016.

However, District representatives and GSOTA’s representatives provided inconsistent statements as to whether District representatives were aware of GSOTA’s and CCI’s execution of a 15-year lease agreement, or had any discussions regarding a contract providing a term of 15 years.

The OIG does not feel the need to opine on whether GSOTA’s entering a 15 year agreement commencing on July 1, 2016 would have violated the current charter school contract with the term of July 1, 2011 to June 30, 2016, given that the contract amendments extending the date of the contract were for the purposes of completing negotiations for the contract renewal or related to the completion of this investigation.

OIG does note that Section 1002.33(a)(12), Florida Statutes provides, in part, the following regarding charter school lease agreements.

... **The initial term of a charter shall be for 4 or 5 years.** In order to facilitate access to long-term financial resources for charter school construction, charter schools that are operated by a municipality or other public entity as provided by law are eligible for up to a 15-year charter, subject to approval by the district school board. A charter lab school is eligible for a charter for a term of up to 15 years. **In addition, to facilitate access to long-term financial resources for charter school construction, charter schools that are operated by a private, not-for-profit, s. 501(c)(3) status corporation are eligible for up to a 15-year charter, subject to approval by the district school board.** Such long-term charters remain subject to annual review and may be terminated during the term of the charter, but only according to the provisions set forth in subsection (8).

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Law Offices
 Kathleen W. Schoenberg, P.A.
 14545 J Military Trail
 #226
 Delray Beach, FL 33484

Telephone: (561) 350-3343
 Fax: (561) 431-5731
 E-mail: kathleen@kwspa.com

September 16, 2016

Via Electronic Mail

A. Denise Sagerholm, Esquire
 School District of Palm Beach County
 Office of Chief Counsel
 P.O. Box 19239
 West Palm Beach, FL 33416

Re: Gardens School of Technology Arts (GSOTA)

Dear Ms. Sagerholm,

You state in your September 15, 2016 correspondence that the Palm Beach County School District (District) intends to "proceed accordingly" due to the fact that GSOTA has entered into a 15-year lease. Your assertions that GSOTA concealed the current lease from the District are untrue. We will restate the facts and timeline involving the school's lease, all of which GSOTA previously communicated both in writing and in our meeting on Monday, September 12, 2016.

The language of the current charter places no prohibition on my client's ability to negotiate a lease with its landlord. As described in more detail in my letter dated August 15, 2016, the charter language you cite was intended to ensure that the school had a plan in place for an adequate facility during the term of the charter. The school ensured this would happen – they previously executed a five-year lease which expired June 30, 2016.

My client appreciates your review of their board minutes from the March 14, 2016 board meeting as they validate what we previously discussed. The board discussed the receipt of proposed lease terms from its landlord, given that the school's lease was due to expire on June 30, 2016. This meeting was after the school was approved for renewal by the District. At this meeting board member David Reyes was granted authority to finalize a lease within parameters established by the board.

Shortly thereafter, representatives from GSOTA and the District met on April 14, 2016 to begin negotiation of the renewal charter. At that meeting my client requested a 15-year charter term. During that conversation GSOTA discussed that a 15-year term would facilitate the landlord's efforts to secure financing to expand the school's facilities to accommodate growth. At no time during that meeting did any District representatives state that a 15-year lease would put GSOTA out of compliance. On the contrary, it was implied that a 15-year lease would be necessary as a basis for the request. You advised my client to submit its basis for the request for a 15-year term in writing.

Following that meeting and prior to April 27, 2016 (the date of the lease execution), a letter in support of the 15-year charter term was drafted. At the time of the first draft of the letter the lease had not been executed; hence, the letter states that the school was in the process of negotiations. The letter was finalized and executed by Debra Moore, GSOTA board president on May 9, 2016. At the time she sent the letter she was not aware that the lease had actually been executed as board members refrain from

A. Denise Sagerholm, Esq.
September 16, 2016
Page two

discussions outside of board meetings. As a review of the May 9, 2016 GSOTA board minutes reflects, there was no discussion of the lease at that meeting. This is important because your letter states that "GSOTA has not been transparent with the District regarding the new Lease Agreement." The fact that Ms. Moore's letter indicates an intent to sign a lease was not an act of concealment, only a matter of timing.

Your letter lists the dates that the parties met during the course of the renewal charter negotiation. You question why GSOTA never mentioned the lease during any of these meetings. The question to be asked is - why *would* the school bring up the lease? The parties' discussions focused on the renewal charter contract, and in almost every meeting GSOTA asked for a response to its request for a 15-year charter term. Ms. Moore's May 9, 2016 letter explicitly states the anticipated term of the lease. The lease was also uploaded to the District's Charter Tools system on July 19, 2016 as part of GSOTA's school opening checklist. Certainly, both a letter describing the lease terms and a full copy of the lease being uploaded to the District's system would be considered ample notification by any reasonable standard.

The more relevant question is why, in all of those meetings, did the District wait until August 11, 2016 to provide notice of any concern about the term of the lease, despite receiving written notice on May 9, 2016 of the school's intent to enter into a 15-year term?

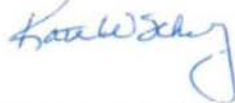
My client provided written notice of the 15-year lease term on May 9, 2016 and the first time the District brought this up as an issue was August 11, 2016. In fact, as of the date of this letter, the school has received *no* response to its request for a 15-year term. Consequently, GSOTA had no reason to believe it wouldn't be granted a 15-year charter term.

The District's issue with GSOTA's lease focuses on the date of execution. It is important to note that even if the lease had been executed after May 9, 2016, under the District's own reasoning it would not have made a difference. The District never notified GSOTA that it believed the school to be out of compliance until August 11, 2016, despite the May 9, 2016 notice of the school's intent for the long-term lease.

Finally, throughout our discussions and correspondence on this matter, GSOTA fails to see why the school district views GSOTA's lease execution as an act which rises to the level of threatened charter termination. The current charter does not prohibit GSOTA from executing a lease. The school district is neither a party to the lease nor a guarantor. There is no obligation under Florida law that would require the District to assume any obligations under the lease. If the school is unable to fulfill its obligations under the lease, it is a risk assumed by the landlord, not the District.

GSOTA requests written notification from the District that it is in compliance with its charter, and GSOTA requests that the District continue negotiations of its renewal charter contract in good faith.

Sincerely,



Kathleen W. Schoenberg, Esq.

cc: Gardens School of Technology Arts

Relationships-Hiring of Relatives

5. RELATIONSHIPS BETWEEN THE CHURCH (COVENANT CENTRE INTERNATIONAL INC.) AND GARDENS SCHOOL OF TECHNOLOGY INC.

Florida Statutes Section 1002.33(7)(a)(18) requires full disclosure of the identity of all relatives employed by the charter school who are related to the charter school owner, president, chairperson of the governing board of directors, superintendent, governing board member, principal, assistant principal, or any other person employed by the charter school who has equivalent decision-making authority. For the purpose of this paragraph, the term “relative” means father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister.

Section 10: Human Resources subsection (B) Employment Practices, paragraph (1) Statutory Prohibition and Required Disclosure regarding Hiring of Relatives, page 58 of the charter school contract between The School Board of Palm Beach County, Florida and Gardens School of Technology Arts states, *“The school and its employees shall comply with state law prohibiting the employment of relatives which prohibits the appointment, employment, promotion, or advancement, or the advocacy for appointment, employment, promotion, or advancement in or to a position in the charter school in which the personnel are serving or over which the personnel exercises jurisdiction or control of an individual who is a relative”.*

The Church

Norman Benz

- The founding Pastor of the Covenant Centre, Inc. church
- The Church is the current Landlord of GSOTA

Judy Benz

- The wife of founding Pastor, Norman Benz
- Oversees the children’s, women’s and administrative ministries of Covenant
- The president/incorporator of the not for profit -Children’s Academy Inc. (provides fee-based pre-school for GSOTA students up to 9 years of age)

Kristopher Erik Benz

- The son of Pastor Norman and Judy Benz.
- A member of the Church Governing Board -listed as Board Secretary.

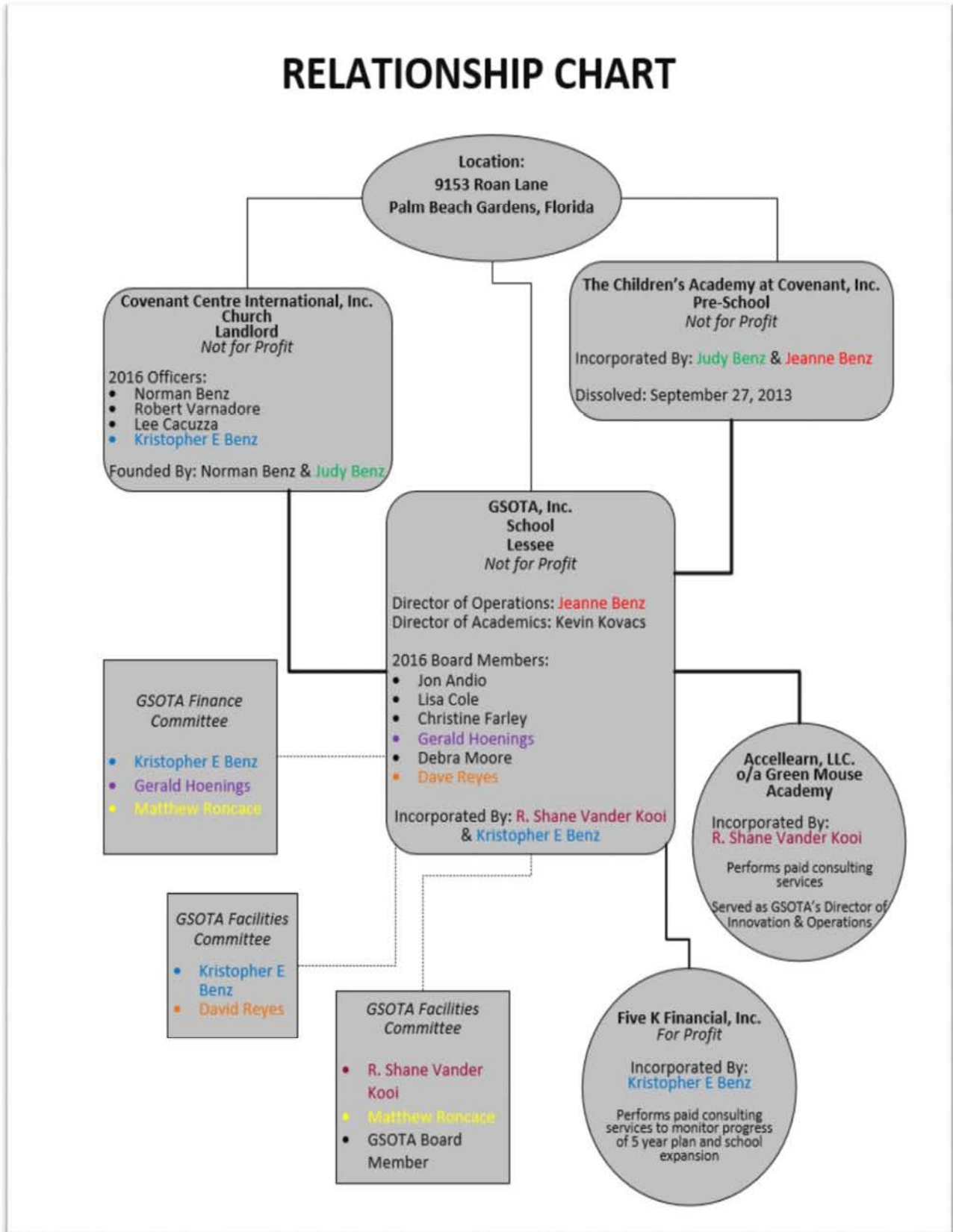
- A paid employee of the Church— Executive Pastor-oversee church management and administrative duties.
- The original founder/incorporator of GSOTA in 2009 with Shane Vander Kooi.
- Signed original charter school contract on April 18, 2011, with the District while serving as the Governing Board Secretary of Gardens School of Technology Arts, Inc., (see page 64 of the Charter School Contract with the District)
- Owner of Five K Financial—a For Profit corporation—current paid consultant of GSOTA who has had a long-term business relationship with GSOTA, as GSOTA founder and as a paid consultant.
- The husband of Jeanne Benz—Director of School Operations

Jeanne Benz

- The wife of Kristopher Erik Benz
- The daughter-in-law of Norman and Judy Benz.
- The Vice President of The Children’s Academy
- Current Director of School Operations for GSOTA (2014, 2015,2016)
- Employed in the capacity of: school secretary (2011) assistant to the principal (2012), assistant to the principal; officer manager (2013)

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RELATIONSHIP CHART



6. BUSINESS RELATIONSHIPS BETWEEN GSOTA AND PROFESSIONAL SERVICE PROVIDERS (PSP).

The OIG reviewed the following Professional Service Providers that provided professional services to GSOTA for the period of July 1, 2011 through August 31, 2016.

Based on review of GSOTA’s accounting records, supporting documentation, and GSOTA vendors’ online corporate filings with the Florida Secretary of State’s Division of Corporations, the OIG noted that the charter school conducted official school business with several parties. **Table 10** below summarizes the OIG’s analysis of the total amounts the GSOTA charter school paid to five (5) related parties for the period July 1, 2011 through August 31, 2016.

NO	PAYEE	TOTAL PAYMENTS	PARTY NAME	RELATIONSHIP TO GSOTA
1	Green Mouse Academy <i>{See Exhibit 12.}</i> ⁷	190,137.14	Kooi, Shane Vander	<ul style="list-style-type: none"> • Incorporator of GSOTA • Owner of Green Mouse Academy
2	Five K Financial, Inc. <i>{See Exhibit 13.}</i>	91,095.09	Benz, Kristopher “Erik”	<ul style="list-style-type: none"> • Incorporator of GSOTA • Incorporator of “Five K” • Married to Jeanne K. Benz, who is a GSOTA employee – Director of Operations
3	The Children’s Academy, Inc. <i>{See Exhibit 14 for corporate records and Exhibit 15 for cancelled checks.}</i>	31,270.53	Benz, Judith C.	<ul style="list-style-type: none"> • Incorporator of “The Children’s Academy” (2005) • Mother-in-law of Jeanne K. Benz, who is a GSOTA employee – Director of Operations • Jeanne Benz is the Vice President of “The Children’s Academy”
4	Accellearn, LLC <i>{See Exhibit 12.}</i> ⁸	12,255.68	Kooi, Shane Vander	<ul style="list-style-type: none"> • Incorporator of GSOTA • Owner / Manager of Accellearn, LLC
5	1 Stop Generator <i>{See Exhibit 16.}</i>	2,537.80	Andio, Jon	<ul style="list-style-type: none"> • GSOTA Governing Board Member (2014 – Present)
TOTAL PMTS		\$ 327,296.24		

⁷ The owner of ACCELLEARN, LLC (R. Shane Vander Kooi) is an original founder and incorporator of GSOTA. R. Shane Vander Kooi transitioned from the Board of GSOTA June 30, 2011.

Five K Financial Inc.

Owner: Kristopher E. Benz

Based upon information found at the Florida Department of State Division of Corporations, Five K Financial Inc. is an active Florida Profit Corporation, filed on January 07, 2011 by Kristopher E Benz. Kristopher E. Benz is the sole listed officer: President

The OIG reviewed an Agreement between the Gardens School of Technology Arts, Inc. – GSOTA and “Five K Financial, Inc.” the company owned by Kristopher “Erik” Benz. The Agreement was for a one-year period of July 1, 2015 through June 30, 2016 and required GSOTA to pay “Five K Financial, Inc.” (Consultant) a total of \$24,000 for providing “guidance and oversight” to GSOTA in the following areas: **See Exhibit 17.**

Monitor progress of the Five Year Plan for facility improvements and school expansion under the direction of the Board. Specifically,

1. Guide the financial processes that will allow the school the resources needed to educate each student within the mission/vision of the school.
2. “Five K” will execute tasks as outlined in the Five Year Plan under the guidance of the Facilities Committee.
3. “Five K” will ensure that the facilities are adequate for school growth and fits within the vision of the School Image as planned for in the Facilities Plan and service school facilities needs in accordance with the school’ growth plan.
4. Oversee the utilization of capital outlay funds for facility improvements according to priority schedule determined by the Facilities Committee.
5. To work under the guidance of the Board Treasurer to ensure budget integrity.
6. To assist the CPA in financial oversight, coding, processing and budgeting.
7. To work with the CPA and Director of Operations (*i.e. Jeanne K. Benz, “Erik” Benz’s wife, who is an employee of GSOTA*) to help coordinate and disseminate information and plan documentation around payroll benefit programs and internal incentive programs.

Kristopher Benz’ contracts stipulates that he has not been granted any jurisdiction or control over the charter school and specifically has no vested or delegated authority to appoint, employ, promote, or advance individuals or to recommend individuals for appointment, employment, promotion or advancement in connection with employment in the charter school. It also stipulates Kristopher Benz has not been granted any jurisdiction or control over the charter school’s finances and specifically has no vested or delegated authority to spend, allocate or commit funds of the charter school.

Kristopher Erik Benz, the owner of Five K Financial Inc., is an original founder and incorporator of GSOTA. Kristopher Erik Benz transitioned from the Board of GSOTA June 30, 2011.

The OIG reviewed GSOTA's "School's Accounting & Reporting Policies, Procedures & Practices," revised on November 17, 2014, and approved by GSOTA's Governing Board. **See Exhibit 18.** As required by the revised accounting policies, the charter school's Director of Operations and the School Principal are assigned the following financial oversight and authority:

1. Depositing daily cash receipts in the bank account. (Director of Operations)
2. Maintaining a petty cash fund for \$200, including safeguarding the petty cash box. (Director of Operations)
3. Approving all invoices received by the charter school. (Director or School Principal)
4. Signing all checks greater than \$1,000, which requires dual signatures. (Director or School Principal)
5. Approving all check requisitions for purchases greater than \$500. (Director or School Principal)

The Director of Operations and School Principal are the only authorized individuals with a debit card.

The OIG also reviewed the check signer forms for GSOTA's business bank account with J.P. Morgan Chase Bank, N.A. "Jeanne Kathleen Benz" was added as a check signer on GSOTA's bank accounts with Chase Bank on April 3, 2012. **See Exhibit 19.** We also reviewed cancelled check payments GSOTA charter school paid to "Five K Financial, Inc." and noted that GSOTA's Director of Operations, Jeanne K. Benz, signed six (6) check payments issued to her husband, Kristopher "Erik" Benz's, company, "Five K Financial, Inc." **See Exhibit 20.**

Given that GSOTA's Director of Operations, Jeanne K. Benz, is married to Kristopher "Erik" Benz and who was awarded a consulting contract to provide fiscal oversight to the charter school through his company, "Five K Financial, Inc.", the charter school's system of internal controls could be compromised.

Matthew Roncace, CPA

Based upon information provided by GSOTA, Matthew Roncace was appointed GSOTA's Accountant by GSOTA's Governing Board on June 29, 2011. Roncace had been volunteering with the charter application, budget development and assisted throughout the grant application process.

Based upon information found at the Florida Department of State Division of Corporations, Matthew Roncace is the incorporator of an inactive Florida Profit Corporation, JEM Enterprises, Inc., filed on April 5, 2004 and dissolved on September 16, 2005. Listed as Directors of JEM Enterprises Inc. included Matthew Roncace and Kristopher Benz.

Matthew Roncace has a current consultant contract with GSOTA, providing services for: accounting, bookkeeping, financial reporting, and other related services on an ongoing basis.

The Children's Academy At Covenant, Inc.
Registered Agent & Vice President: Jeanne Benz
President: Judy Benz

Based upon information found at the Florida Department of State Division of Corporations, The Children's Academy at Covenant, Inc. is an inactive Florida Not For Profit Corporation. The Children's Academy was registered on December 16, 2005 by registered agent Jeanne Benz. Jeanne Benz is listed as the registered agent and Vice President of the corporation. Judy Benz is listed as the President of the corporation. The Cooperation was dissolved on September 27, 2013.

The Articles of Incorporation for the Children's Academy At Covenant, Inc. its stated purpose is:

- To organize for the purpose of providing quality care, education, and training of children in an atmosphere of Christian excellence.

According to information provided by GSOTA and Director Benz, The Children's Academy At Covenant Inc. provided Pre-school services to GSOTA students for the first three years of GSOTA. Director Benz stated GSOTA paid for the Pre-school care of GSOTA's students.

Director Benz stated a portion of the parent fees of the students registered with GSOTA's Aftercare was provided to The Children's Academy because the Academy was providing care for GSOTA students. Director Benz stated the Pre-school was fee based and it also had subsidized care available for ELC (Family Central paid monthly for the students that qualify for the aftercare). Director Benz stated they also accepted VPK funds.

Director Benz confirmed she and her mother-in-law Judy Benz were the original incorporators of The Children's Academy at Covenant Inc. Director Benz stated the company was closed in 2013 and currently, GSOTA employees provide Aftercare for the students.

Relevant GSOTA Governing Board Meeting Actions and Activities: June 29, 2011

The OIG reviewed documents from the June 29, 2011 GSOTA Governing Board Meeting and noted the following:

Roll Call

- Khristopher "Erik" Benz listed in the capacity of (Secretary)

Motion to Approve Previous Meeting's Minutes

- Shane Vander Kooi listed as Board Member in attendance – *it should be noted Shane Vander Kooi second the motion to approve previous meeting's minutes.*

Academics (Presented by R. Shane Vander Kooi)

Facilities Update (Presented by Kristopher "Erik" Benz)

Finance and Operations Update (Presented by R. Shane Vander Kooi)

Special Orders**a. Board Transition**

- i. Debra moved to use June 30, 2011 as the term limit for Shane and Erik due to upcoming potential conflicts of interest and to ensure compliance with Florida Statute with respect to Charter School regulations. Misi 2nd the motion vote 4-0 in the affirmative.

c. Lease Agreement

- i. The lease with Covenant Centre International to provide facilities for the Charter School was discussed.
- ii. Specific consideration was given to the labeling system for assets, insurance subordination, Dave suggested some language change concerning the rental amounts [has been changed to reflect the change].
- iii. Dave motioned to approve: seconded by Deb; Motion passed 4-0 (**Erik recused himself from the vote**)

e. Approval of Accountant

- i. Matt Roncace is a CPA who volunteered with charter application budget development and throughout the grant application process.
- ii. Motion to approve Matt as the school's accountant for board training and future operations.
- iii. Motion: Deb, 2nd Misi, Motion passed 4-0 (**Erik recused himself from vote**) "

h. Appointment of Co-Administrators

- i. Shane and Lana Thormodsgaard have been volunteering as volunteer Acting Directors and both were involved in the development/review of the school's Charter application.
- ii. Noted that Shane would be contracted as a 1099 employee and Lana would be hired as a regular employee.
- iii. Motion to appoint Shane and Lana to the school's Co-Administrator roles as defined in the Charter Contract and Charter Application, effectively coming on the payroll for budget purposes July 1, 2011.
- iv. Motion: Deb, 2nd Misi, Motion passed 4-0 (**Shane recused himself from vote**)

i. Approval of Policies (specific to requirements of CSP Grant)

- i. Discussion that policies would be subject to review by Kathleen Schoenberg and by CSP Grant Specialist to ensure compliance with state and federal regulations. **Policies included: Conflict of Interest, Procurement, Admission & Lottery.**
- ii. Motion was to approve policies

- iii. Motion: Dave, 2nd Deb, Motion passed 5-0
- j. **Authorization for Co- Administrators** to execute required documents specific to meeting the requirements of the CSP grant award process; to meeting requirements of the Opening School Checklist items for the PBCSD Charter Department; and to hire the initial instructional and non-instructional staff per the approved year one budget.
 - i. Motion: Deb, 2nd Dave, Motion passed 4-0 (**Shane recused himself from vote**)

It appeared that R.Shane Vander Kooi and Kristopher Benz, while serving as Board Members, recused themselves from voting on business decisions related directly to them during this June 29, 2011 GSOTA Governing Board Meeting. **See Exhibit 21.**

Procurement Procedures:

According to the information provided by GSOTA, specifically Schedule E, Part II-Supplemental Information of their Internal Revenue Form 990, GSOTA reported receiving Federal Funds for the following grants:

FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16
IDEA	IDEA	IDEA	IDEA	IDEA
Federal Impact	Federal Impact	Federal Impact	Capital Outlay	Title II
		Title II	Title II	

Department of Education Rule 34 CFR 74.40-74.48 set forth the standards of procurement procedures for schools, including charter schools, when using Federal funds to enter into a contract for equipment or services. Those standards require Federal grant recipients to develop written procurement procedures and to conduct all procurement transaction in a manner to provide, to the maximum extent possible, open and free competition. No employee, officer, or agent of the charter school may participate in the selection, award or administration of any contract supported by Federal funds if a real or apparent conflict of interest exists.

As stated earlier, GSOTA adopted a Procurement Policy and Procedures Policy at the June 29, 2011 Governing Board Meeting.

On January 24, 2017, the OIG conducted an interview with Director Jeanne Benz. Director Benz was asked about GSOTA’s procurement process and if a vendor bided procurement process was followed for the aforementioned Professional Service Providers and she stated, she did not know because R. Shane Vander Kooi was the founder. Director Benz stated she doubts if GSOTA used a vendor bided procurement process during the initial years of the Charter. Director Benz stated the contracts were awarded based upon the individual’s history with the school, knowledge, and

expertise specific to their Charter. The OIG asked if GSOTA had a written contract with the Children's Academy at Covenant, Inc. and she stated no, The Children's Academy came before GSOTA.

Findings: GSOTA may have entered into professional service contracts with the following Professional Service Providers; Five K Financial, ACCELLEARN LLC o/b Green Mouse Academy, and Matthew Roncace without adhering to the Code of Federal Regulations and their own internal Procurement Policy. See Exhibit 36. GSOTA also conducted business with The Children's Academy at Covenant, Inc. without adhering to the aforementioned regulation, rule or internal procedures.

At the June 29, 2011 GSOTA Governing Board Meeting, all of the aforementioned Professional Service Providers, with the exception of The Children's Academy at Covenant, Inc., were appointed/awarded a Professional Service Contract without participating in a competitive solicitation process. Since GSOTA receives Federal Funding, GSOTA should utilize a competitive solicitation process for contracted services sought.

7. SCHOOL EXPANSION

7A. Site Visit

On December 8, 2016 the OIG conducted a site visit at GSOTA. The purpose of the visit was to tour the school's facility and discuss the proposed school expansion. Present during the visit was Director of Operations Jeanne Benz and Attorney Gary O'Donnell. During the visit, the OIG learned the following:

The current student enrollment for 2016/2017 is between 320 and 325. Full capacity is 364 students.

Tour and OIG Observation Areas of the Church currently being utilized by the School.

The Church interior rooms have been converted into classrooms. The OIG observed the following:

- Six (6) classrooms being utilized by primary students (K-2).
- One (1) speech therapist office also served as the supply room.
- One (1) ESE classroom
- One (1) teachers' lounge
- One (1) classroom (#314) utilized by intermediate students (3rd) grade. According to Director Benz, this is one of the classrooms the School hopes to move into the new building. Inside the room, the OIG observed the students engaged with instructions. All of the students were working on laptops.
- One (1) classroom being utilized by middle school students (6th – 8th) grade. According to Director Benz this is another one of the classrooms the School hopes to move into the new building.

- One (1) 5th grade classroom
- One (1) 4th grade classroom. According to Director Benz this is a classroom the School hopes to turn into a lab. Director Benz stated the School need to add a 3rd, 4th 5th and 8th grade classroom.
- Art Class is currently being held inside a corner of the Church sanctuary. Director Benz stated this make-shift classroom is set up on Mondays and broken down on Fridays.
- Computer Lab is currently being held upstairs on the second floor of the Church sanctuary.
- Ancillary Building is currently being utilized by five (5) middle school classes.
- The science and robotics class is currently being held upstairs of the ancillary building.
- The first floor of the ancillary building is serving a dual purpose; the cafeteria and physical education field on the days it rains.

The OIG posed the following questions to Director Benz and received the following responses:

Question(s):

1. Describe the School's proposed expansion?

Response:

- Phase I Building "C" will consist of four (4) classrooms
- Phase II Building "D" will consist of two (2) classrooms
Building E will consist of one (1) classroom

On 12/09/2016, Director Benz provided the OIG with the following:

- Photos of the current property, sites of buildings
- Artist's rendering on the new site plan and buildings

2. Who owns the land slated for the School Expansion?

Response:

The Church (Covenant Centre Inc.,) owns the land; they are securing the financing for the new buildings. The Church will build the new buildings and the School will then lease space from the Church.

3. Does the School have a written agreement with the Church for the expansion of the school?

Response:

Nothing formalized – verbal agreement. GSOTA can get a written agreement from the Church if needed.

4. Who will be responsible for the cost related to the expansion?

Response:

The Church is financing the structure. The School would underwrite any improvements for the School. The School has paid for the preliminary expenses thus far out of capital outlay and surplus funding. There are no prohibited provisions for using FEFP funds for school expansions. So far, the School has paid for site plans, land surveys etc. The School has ended up in a strong financial position because the Church did not charge the School any utilities for 5 years during the original rental lease agreement.

5. How much revenue has been spent thus far towards the School's expansion?

Response:

A significant amount. Director Benz stated she would have the Bookkeeper run the numbers and provide the OIG with the amount. The amount spent thus far does not surpass legal limits and is not against Charter prohibition.

On December 9, 2016, Director Benz provided the OIG with a document detailing revenue spent thus far totaling \$133,796.06 as of November 30, 2016.

6. What has been the source of funding for the (preliminary costs)?

Response:

Capital outlay dollars and excess funding. Again, nothing within law and charter that says FEFP could not be used.

7. Why did the school decide to expand?

Response:

It has always been the goal of the School to go up to full charter capacity of 364 students. Due to increased student enrollment, the expansion is needed to accommodate the students.

8. Where the plans approved by any Government entity?

Response:

Yes, Palm Beach County—we are in an unincorporated area.

Additional Comments:

Director Benz provided the OIG with a copy of the following documents:

- School climate survey—School year 2016-2017 **See Exhibit 22.**
- A written explanation of GSOTA Use of Facilities and Lease Payment Schedules **See Page 18.**

Additional comments:

From the OIG's observation, the School has taken over the majority of the Church's available space. With continued student growth and increased enrollment, the School expansion appears to be justifiable.

Florida Statute 1013.62 (3) Charter Schools Capital Outlay Funding does not prohibit GSOTA from utilizing capital outlay funding for the expansion.

For details of the proposed school expansion. See Exhibit 23.

7B. Did GSOTA fail to notify the District regarding their proposed school expansion?

Section 5: Facilities, subsection C) Location, paragraph 3) Relocation, page 44, of the Charter School Contract between The School Board of Palm Beach County, Florida and GSOTA states, *"The school shall not change or add facilities or locations at any time during the term of this Contract without prior notice to the Sponsor."*

According to School District Charter Director Jim Pegg, GSOTA did not notify the District of its intentions to expand its facility in adding additional modular classrooms in anticipation of increasing enrollment. According to Director Pegg, GSOTA did not notify the District of the expansion and that he only learned of the proposed expansion of Covenant Centre during a visit at the school on February 9, 2016, when he and his team were on site to conduct the Program Review for Charter Renewal. Director Pegg stated he noticed a poster of an architectural rendering of the new facilities to be added to the church. The poster was labeled Expansion of Covenant Centre. Director Pegg stated he inquired of Mr. Kovacs (Director of Academics) of the rendering and Dr. Kovacs shared the church was expanding the facilities and as a result the charter school would have more available classroom space. Director Pegg stated no further details were offered and there were no follow-up communications from the charter school regarding the expansion until the charter school and the district entered into negotiations for the renewal charter and learned a new lease had been negotiated and signed.

Director Pegg provided the OIG with a copy of a written communication dated July 22, 2015 from the GSOTA Board President Debra Moore and Director of Academics Dr. Kevin Kovacs about the intent to renew the charter. In the letter, the Board President identifies the request for a 10-year term for the renewal charter and she identifies some instructional program revisions that the charter school would like to pursue if renewal was granted. Director Pegg stated if there was an intent to expand the facilities, this communication would have been an appropriate document to make known that intent. Director Pegg stated the communications does not infer any expansion of the facilities. **See Exhibit 24.**

The OIG reviewed the GSOTA's governing board minutes from the September 17, 2012 and November 12, 2012 governing board meetings. The school expansion plans was discussed and approved at the **September 17, 2012**, GSOTA's governing board meeting. The Operations/Finance Report was given by Board Chair Debra Moore in Mr. Vander Kooi's absence. *"School is at 98% of capacity and well within Budget. SOTA is moving ahead with investigation of addition of portables for further expansion"*. **See Exhibit 25**. At the **November 12, 2012** governing board meeting, the school expansion plans were discussed. The school expansion plans report was given by Kristopher Erik Benz. *"Eric Benz explained handshake agreement move forward with Mr. Kaplan. He's interested in helping the church acquire land, 30,000 square feet. Sent bldg. cost ROI—numbers positive; addressing issues, variables to see if there's flexibility. Seeking possible anchor tenants to help subsidize. Church will be primary landowner going forward. We are not going to do portables next year. Would have stretched us financially. We are not convinced we do not have the square footage to accommodate three more classes. Expand within current footprint. Our charter is for 364 students. Staff is onboard. Website Operation Blue Box."* **See Exhibit 26**.

The School Expansion was also discussed at the October 8, 2012 (**See Exhibit 27**) and the December 10, 2012 (**See Exhibit 28**) GSOTA Governing Board Meetings.

As mentioned earlier in this report, the OIG reviewed information from the Florida Department of Education related to --GSOTA's Charter School Capital Outlay Application for school years 2014-2015, 2015-2016 and 2016-2017.

For **FY 2014-2015**, GSOTA indicated they would utilize capital outlay funds for the following:

- Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e. mortgage or rent
- Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term of 5 years or longer.
- Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.

The 2014 Capital Outlay Plan does not indicate it was Certified by the District. It does indicate that School District representative Miriam Williams acknowledged the school was meeting student performance measures included in the approved charter. It further indicated *"Pending Decision-We are unable to make a determination of financial viability since the audit reports are not available for FY14 until September 2014."* **See Exhibit 29**.

For FY 2015-2016, GSOTA indicated they would utilize capital outlay funds for the following:

- Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e. mortgage or rent)
- Purchase of vehicles to transport students to and from the charter school.
- Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term of 5 years or longer.
- Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.

This 2015 Capital Outlay Plan was certified by School District Charter School Department's staff, Principal Ariel Alejo on: 08/03/2015. **See Exhibit 30.**

For FY 2016-2017, GSOTA indicated they would utilize capital outlay funds for the following:

- Construction of school facilities.
- Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e. mortgage or rent)
- Purchase of vehicles to transport students to and from the charter school.
- Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term of 5 years or longer.
- Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.

This 2016 Capital Outlay Plan was certified by School District Charter School Department's staff, Principal Ariel Alejo on: 08/04/2016. **See Exhibit 31.**

Findings: Although, according to Director Pegg, GSOTA did not officially notify the District of their intent to change or add facilities or locations (expansion), GSOTA did indicate on their 2014-2016 Capital Outlay Application(s) its intent to purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e. mortgage or rent) and construction of school facilities. District representatives Ariel Alejo Certified the Capital Outlay Plan for 2015 and 2016 and Miriam Williams acknowledged the 2014 Capital Outlay Plan submitted by GSOTA.

8. A REVIEW OF STUDENT FEES CHARGED BY GSOTA

Section 4: Financial Accountability, subsection (A) Revenue, paragraph (D) (1) **Allowable Student Fees**, page 35 of the Charter School Contract between The School Board of Palm Beach County, Florida and GSOTA states, " Use of Student Fees: The school shall not charge fees, except those fees normally charged by the Sponsor or as allowed by law. Fees collected must be allocated directly to, and spent only on, the activity or material for which the fee is charged.

The OIG reviewed GSOTA's official website and found the following online payments/fees posted:

Account Balances

"To submit an electronic payment toward your child's account, select the "Pay Now" button below and specify the exact amount you wish to pay via credit or debit card. Please do not forget to list your student's name in the "Description" line when completing the payment form".

Annual Technology Payment

"Instructional materials (books, technology devices, equipment, materials and supplies) are costly and all students are responsible for the proper care and use of the materials they are given. Unless otherwise directed, students must not write in textbooks. Charges will be made for damaged or lost books, technology devices and equipment and/or school materials. Students will not be granted transfers prior to returning all books, equipment, materials, in addition to paying any fees owed to the school when due."

"Parents can submit the \$50 Annual Technology/Projects donation by clicking [here](#)."

On January 24, 2017 during an interview with the OIG, Director Benz stated the "annual technology payment" is a voluntary donation request that the School ask parents to assist with projects. Director Benz stated the requested donation is similar to the donation that is requested of parent for school supplies. Director Benz stated the donation is strictly voluntary and no child is penalized if the parent cannot afford to pay.

Florida Statue 228.061, allows Principals to request that students voluntarily purchase certain items or voluntarily pay to participate in an activity, which may aid in their learning.

Before/Aftercare School Care Payments

"To submit payment toward your child's attendance in Before School Care and/or After School Care, please select the "Pay Now" button below and specify the exact amount you wish to pay via credit or debit card. Do not forget to list your student's name in the "Description" line when completing the payment form".

Florida Statute 228.061, allows tuition charges for preschool programs, prekindergarten early intervention programs and school-age child care programs.

BSC/ASC Registration (Before and/or Aftercare Programs)

"A completed registration form and \$25.00 registration fee are required to reserve a student's spot in Before and/or Aftercare Programs. The \$25.00 registration fee is non-refundable and non-transferable. Registration is on a first-come, first-serve basis, based on space availability.

Please select the “Buy Now” button to submit a payment online for your student’s before/aftercare registration. Be sure to list your student’s names(s) in the “Description” line when completing the payment form.”

Florida Statute 228.061, allows tuition charges for preschool programs, prekindergarten early intervention programs and school-age child care programs.

Late Fees

“To make one or more \$10.00 late fee payments, please click below: “

On January 24, 2017 during an interview with the OIG, Director Benz stated the “late fees” were not related to the school. Director Benz stated the “late fees” are accessed to parents for students participating in before and/or aftercare programs. Director Benz stated a \$10 fee is accessed if payment is not received by the 10th of the month.

Florida Statute 228.061, allows tuition charges for preschool programs, prekindergarten early intervention programs and school-age child care programs

Volunteer Hours

“Every day we have parents and community partners assist us with everything from photo-copying to networking. All of our parents have a quota of hours to serve each school year.

Below are several ways to be involved as a volunteer..... under Parent Commitment: Annual Volunteer Hours: 1 student enrolled: 20 hours (single parents 12 hours); 2+ students enrolled: 30 hours (single parents 18 hours)...

“If necessary, you may donate \$10 to earn 1 volunteer hour credit, \$20 to earn 2 volunteer hour credits, etc. These can be purchased here:”

On January 24, 2017 during an interview with the OIG, Director Benz stated the “volunteer hours”, are again strictly voluntary and are a part of the family contract. Director Benz stated the school was going to take the “volunteer hours” out of the family contract because not many parents participated. Dr. Benz stated, however, some of the parents wanted them to keep it in the family contract, as an option because some parents wanted to support the school but could not physically show up and volunteer hours, however, they could contribute financially. Director Benz stated the donation is strictly voluntary and no child is penalized if the parent cannot afford to pay.

Findings:

The OIG did not find any language on GSOTA’s website that informs student parents or legal guardians that (1) no penalty of any type will be imposed against the student based upon a failure to pay; (2) no student shall be denied the right to participate for failure to pay; (3) the principal may forego a planned activity or use of a particular item based upon the collection of insufficient funds to cover the cost of the item or activity; and (4) this request is for a voluntary payment.

GSOTA should include some “clearly” stated language associated with student fees and the parent’s ability to not pay, as detailed in School Board Policy 2.21 School Requests of Payment from Students.

9. DISTRICT REVIEWS OF GSOTA CHARTER PROGRAM

School Board Policy 2.57 (8b) Renewal of Charter Contracts states, during the final year of a charter a charter school’s contract term, designated District staff will conduct a program review in order to determine whether a charter school meets the criteria for renewal as set forth in F.S. 1002.33(7)(a) & (b) as well as compliance with the existing charter provision.

The OIG reviewed the 2015-2016 Program Renewal Summary conducted by the Palm Beach School District Charter Department dated February 9, 2016 and did not note any significant deficiencies. Of the eleven categories rated, GSOTA’s review results indicated meeting all areas with a partially meets in two categories (1b) Curriculum and instruction-Literacy-Secondary and (9) Finance and Operations. **See Exhibit 32.**

Further, *School Board Policy 2.57 (7c) Ongoing Monitoring an Administrative Compliance* states, all charter schools are subject to monitoring through software and/or Sponsor personnel who are subject matter experts pursuant to applicable law. Visits, as deemed necessary by the District, may be made by the District personnel to observe operations and to provide technical assistance when applicable. The District shall at all times have access to the School’s student records for legitimate educational purposes, including for FTE audits. *A mid-year and/or end-of-year review as determined by the Superintendent’s designee shall be completed. The mid-year and/or end-of-year reviewers will review the academic, operations, governance and compliance of each charter school as well as its revenues, expenditures and financial status.*

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On February 10, 2017, the OIG inquired of the School District’s Charter School Department if the Charter Department conducted any mid-year and/or end-of-year reviews of GSOTA for the FY2011-2014 school years. On February 20, 2017, the Charter Department provided the OIG with the following information:

Mid-Year Review	Deficiencies Noted	End of Year Review	Deficiencies Noted/Corrected
FY 2013/14 (Exhibit 33)	<i>Category Areas:</i> (1) Curriculum and Instruction (3) Assessment/Student Performance (10) ESE Services	FY 2013/14 (Exhibit 34)	<i>Category Areas:</i> (1) Deficient (3) Compliant (10) Compliant
FY 2014/15 (Exhibit 35)	<i>Category Areas:</i> (1) Curriculum and Instruction - Elementary (11) ESE Services	FY 2015/16 (Exhibit 32)	<i>Category Areas:</i> (1a) Elementary - Compliant (3) ESE Services - Compliant

Final Site Visit

On **January 24, 2017** the OIG conducted a final site visit at GSOTA. The purpose of the visit was to conduct interview regarding follow-up questions related to this investigation. Present during the meeting were Director of Operations Jeanne Benz, Attorney Gary O’Donnell, OIG Audit Supervisor Christina Seymour, and OIG Director of Investigations Angelette Green.

The OIG wishes to thank GSOTA and it staff for its full cooperation throughout this investigation.

ACTIONS TAKEN:

In accordance with School Board Policy 1.092 (6) (iv), a draft copy of this report was provided to the GSOTA Board for review and comments. The affected parties were given an opportunity to respond.

The following Exhibits are attached for reference:

- Florida Lease Agreement between Covenant Centre International, Inc. (Landlord) and Gardens School of Technology Arts, Inc. (Tenant) (Term July 1, 2011- June 30, 2016) **See Exhibit 37.**
- Memorandum dated July 1, 2016 from FDOE related to the Distribution of Charter School Capital Outlay Funds Fiscal Year 2016-17 **See Exhibit 38.**

FOLLOW-UP INFORMATION

On March 16, 2017, the OIG received written correspondence from the Law Office of Greenspoon Marder. Attorney Gary O'Donnell requested clarifying questions related to the preliminary draft report. See Exhibit 39.

On March 22, 2017, the OIG provided Greenspoon Marder with a written response to the posed questions related to the preliminary draft report. See Exhibit 40.

On April 3, 2017, the OIG received a written response from GSOTA. Please see attached Exhibit 41.

On April 5, 2017, the OIG forwarded the information received from GSOTA to School Police so that they may reexamine their fingerprinting records related to the Board Members. Please see attached Exhibit 42.

On May 18, 2017, the School Police provided the OIG with additional information related to the Board Members' background check. Please see attached Exhibit 43.

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 1

Charter School Contract

Between

The School Board of Palm Beach County,
Florida

And

Gardens School of Technology Arts, Inc.

On Behalf of

Gardens School of Technology Arts

Term: July 1, 2011 thru June 30, 2016

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2
3 **CHARTER SCHOOL CONTRACT**

4 **BETWEEN**

5 **THE SCHOOL BOARD OF PALM BEACH COUNTY, FLORIDA**

6
7 **AND**

8
9 **GARDENS SCHOOL OF TECHNOLOGY ARTS INC.**

10 **ON BEHALF OF**

11 **GARDENS SCHOOL OF TECHNOLOGY ARTS**
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19 **History:**

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21 **Application:**

22 **CRC:**

23 **Contract:**
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THE SCHOOL BOARD OF PALM BEACH COUNTY, FLORIDA
GARDENS SCHOOL OF TECHNOLOGY ARTS
CHARTER SCHOOL CONTRACT

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1 THE SCHOOL BOARD OF PALM BEACH COUNTY, FLORIDA

2 CHARTER SCHOOL CONTRACT

3
4 SECTION 1: GENERAL PROVISIONS

5 This Charter is entered into as of the 18th day of May, 2011 between The School Board of Palm
6 Beach County, Florida, ("Sponsor"), and Gardens School of Technology Arts, Inc. a non-profit
7 corporation organized under Chapter 617, Florida Statutes, ("Corporation"), on behalf of the
8 governing board of Gardens School of Technology Arts ("School").

9 A) **Approved Application:** The application approved by the School Board on Date is
10 attached as Appendix A. All attached appendices are incorporated and made a part of
11 this Contract.

12 B) **Term**

13 1) **Effective Date:** This Contract shall become effective upon approval by the
14 Sponsor.

15 2) **Term:** The term shall cover 5 years commencing on July 1, 2011 and
16 ending June 30, 2016, unless amended by the parties hereto or otherwise
17 terminated in accordance with the provisions of this Charter.

18 3) **Start-Up Date/School Calendar**

19 For each school year, the initial start-up date of the Charter School shall be
20 consistent with the beginning of the Sponsor's public school calendar for each
21 school year, unless otherwise agreed by both parties in writing. The School shall
22 provide instruction for at least the number of days and the minimum number of
23 instructional minutes required by law for other public schools.

24 4) **Deadline for Submission of Pre-Opening Checklist Items:** In order to operate a
25 charter school, this Charter School shall have "Authorized Facilities," which
26 comply with the requirements of Section 1002.33 (18), F.S.. All documents
27 relevant to the Charter School's acquisition of a facility for the operation of the
28 Charter School, including but not limited to the Building Code Approvals,
29 Certificate of Occupancy, Local Jurisdictional Code Approvals (zoning approvals

1 consistent with type of use, fire and health inspections), Occupational License
2 (letter of exemption), and Lease Agreements, shall be attached hereto as Exhibit F
3 and incorporated herein by this reference no later than July 16 of the opening
4 year, in accordance with the Sponsor's New School Opening School Checklist.

5 **5) Charter Modification:** This Charter may be modified during its term by mutual
6 agreement in writing executed by both parties. In evaluating proposed
7 modifications, the Sponsor will consider its need for conformity in the operation
8 of its Charter Schools. These modifications will be reviewed with the Charter
9 School prior to enactment, and then agreed to in writing and executed by both
10 parties. In addition, this Charter shall be automatically modified to reflect any
11 and all legislative changes to any and all applicable federal, state, and local
12 regulations, statutes, ordinances, and laws.

13 **6) Charter Renewal**

14 a) Prior to renewal of this charter, the Sponsor shall perform a program
15 review to determine the level of success of the school's current academic
16 program, achievement of the goals and objectives required by state
17 accountability standards and successful accomplishment of the criteria
18 under Section 1002.33(7)(a), F.S., the viability of the organization,
19 compliance with the terms of the charter, and that none of the statutory
20 grounds for nonrenewal exist.

21 b) Any charter school seeking renewal shall be required to complete a charter
22 renewal application and the sponsor's renewal process. The application
23 shall include documentation for the items listed above.

24 c) Renewal terms shall be in accordance with Section 1002.33 (7)(b) and
25 (7)(a)(12), Florida Statutes. Upon approval, the contract will be renewed
26 following the contract negotiation process.

27 **C) Educational Program and Curriculum:** The School shall implement the educational
28 program and curriculum as described in the approved application in Section 3:
29 Educational Program Design. (Appendix I)

30 **1) General**

31 a) The School shall implement its educational and related programs as

1 specified in the School's approved application (Appendix A), including
2 the School's curriculum, the instructional methods, any distinctive
3 instructional techniques to be used, and the identification and acquisition
4 of appropriate technologies needed to improve educational and
5 administrative performance, which include a means for promoting safe,
6 ethical, and appropriate uses of technology which comply with legal and
7 professional standards. The School shall ensure that reading is a primary
8 focus of the curriculum and that resources are provided to identify and
9 provide specialized instruction for students who are reading below grade
10 level. Further, the curriculum and instructional strategies for reading shall
11 be consistent with applicable State and Federal Standards and grounded in
12 scientifically-based reading research. Updates, revisions, and/or changes
13 to the curriculum programs described in the application and as requested
14 by the Sponsor as a condition of the application's approval are
15 incorporated as part of the approved application included as Appendix A.
16 Any request to change the School's curriculum must be submitted to the
17 Sponsor in writing, comply with all applicable laws and be approved by
18 the Sponsor, which approval shall not be unreasonably withheld, delayed
19 or conditioned before the changes are implemented.
20

21 **D) Non-Renewal/Cancellation and Termination**

22 Notices of non-compliance, termination, cancellation and default may be issued by the
23 Sponsor's Superintendent or the Superintendent's designee.

24 1) **Reasons for Termination/Non-Renewal:** The Sponsor may choose to terminate
25 the Contract during its term or not renew the Contract at the end of the current
26 term, for any of the following reasons:

- 27 a) failure to participate in the state's education accountability system created
28 in Fla. Stat. § 1008.31, as required in this section, or failure to meet the
29 requirements for student performance stated in the charter;
- 30 b) failure to meet generally accepted standards of fiscal management;
- 31 c) violation of law;

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- d) other good cause shown, including but not limited to, those defined in this Contract;
 - e) failure to make sufficient progress in attaining the student achievement objectives of the charter and it is not likely that such objectives can be achieved before expiration of the charter;
 - f) failure to correct any material deficiency(ies) of which the Sponsor has notified the School, and/or
 - g) habitual and repeated failure by the Charter School to submit financial reports, School Improvement Plan, the Annual Report, and any other District or State-required documentation by the stated deadline.
- 2) **“Good Cause”**: “Good cause” for non-renewal or termination includes, but is not limited to, the following:
- a) failure to implement a reading curriculum that is consistent with effective teaching strategies grounded in scientifically-based reading research, and approved by the Florida Department of Education;
 - b) receiving a grade of “F” in any two consecutive years;
 - c) failure to make adequate academic progress under state and federal laws or standards;
 - d) failure to comply with the issues stated in the Educational and/or Financial Action Plan or material findings based upon either the Mid-Year Review and/or the End-of-Year Review or an audit performed by either the Sponsor or an independent qualified CPA firm, provided such issues are based on the requirements of Florida law;
 - e) failure to deliver the instructional programs or curricula identified in the application;
 - f) the School files for bankruptcy, is adjudicated bankrupt or insolvent, or is so financially impaired that the school cannot continue to operate and/or is no longer economically viable;
 - g) failure to have an annual audit that complies with the requirements specified in this Contract.
 - h) failure to meet generally accepted accounting principles;

- 1 i) willfully or recklessly fails to manage public funds according to the law
- 2 j) failure to maintain insurance coverage as required by this Contract;
- 3 k) failure to provide the sponsor with access to records;
- 4 l) violation of any court order;

5 4) **Non-Renewal/90-day Termination**

- 6 a) At least ninety (90) days prior to non-renewal or termination of the
- 7 Contract, the Sponsor shall notify the Chair of the School's governing
- 8 board in writing. The notice shall state in reasonable detail the grounds for
- 9 non-renewal or termination and stipulate that the School's governing body
- 10 may, within 14 calendar days after receiving the notice, request an
- 11 informal hearing before the Sponsor. The Sponsor shall conduct the
- 12 informal hearing within 30 calendar days after receiving a timely written
- 13 request.
- 14 b) If a charter is not renewed or is terminated, the Sponsor shall, within 10
- 15 calendar days, articulate in writing the specific reasons for its nonrenewal
- 16 or termination and shall provide the letter and documentation supporting
- 17 the reasons for the non-renewal or termination to the charter school
- 18 governing body and the charter school principal.
- 19 c) The School's governing board may, within thirty (30) calendar days after
- 20 receiving the Sponsor's final written decision of non-renewal or
- 21 termination, appeal the decision pursuant to Florida law.

22 E) Unless the School has already ceased operations, the Sponsor shall assume operation of
23 the School upon termination and shall continue operating the School until the School has
24 exhausted all appellate rights, or if no appeal is filed, until the time for filing an appeal
25 has expired. The Sponsor shall hold and conserve all School property and assets,
26 including cash and investments, in trust until the School has exhausted all appellate rights
27 to the State Board of Education. The Sponsor shall only disburse School funds in order
28 to pay the normal expenses of the School as they accrue in the ordinary course of
29 business. Normal expenses shall include, but not be limited to, the payment of employee
30 salaries and benefits. **Immediate Termination**

31 1) **Student Health, Safety, or Welfare:** This Contract may also be terminated

1 immediately if the Sponsor determines that good cause has been shown or if the
2 health, safety, or welfare of the students is threatened.

3 2) **Sponsor Notification Responsibilities:** The Sponsor shall notify the School's
4 governing board, the School principal and the State Board of Education or the
5 Florida Department of Education. The Sponsor shall clearly identify the specific
6 issues that resulted in the immediate termination and provide evidence of prior
7 notification of issues resulting in the immediate termination when appropriate.

8 3) **Appeal:** The School's governing body may, within 30 calendar days after
9 receiving the Sponsor's decision not to renew or to terminate the Contract, appeal
10 the decision pursuant to the procedure in Fla. Stat. § 1002.33.

11 4) **Operation of the School:** The Sponsor shall immediately assume the operation of
12 the School and continue to operate the School in accordance with Section 4(d)
13 above.

14 5) **School Access and Documentation Responsibilities:** The School shall
15 immediately give to the Sponsor all keys to the School's facilities, all security-
16 system access codes and access codes for all computers in the School's facilities,
17 all student, educational and administrative records of the School, access to the
18 school's bank accounts and public funds, storage facilities, all records,
19 information, receipts and documentation for all expenditures of public funds,
20 including but not limited to federal grants such as Title I and charter school
21 grants, and all public property. Any violation of this provision shall relieve the
22 Sponsor of its duty to operate the school.

23 6) **Removal of Funds or Property:** The school shall not remove any funds or
24 property purchased with either public or private funds until the Sponsor has a
25 reasonable opportunity to determine whether the funds are public or private and
26 whether the property was purchased with public or private funds. Under no
27 circumstances shall the school remove any property or funds prior to the
28 Sponsor's decision to immediately terminate. Any violation of this provision shall
29 relieve the Sponsor of its duty to operate the school.

30 7) **Disbursement of Funds:** The Sponsor shall only disburse charter school funds in
31 order to pay the normal expenses of the school as they accrue in the ordinary

1 course of school business. The Sponsor is not required to use its own funding
2 resources to operate the school.

3 **8) Employees of the School:** The School's instructional and operational employees
4 may continue working in the School during the time that the Sponsor operates the
5 School but will not be considered Sponsor employees. The Sponsor reserves the
6 right to take any appropriate personnel action regarding the School's employees.

7 **F) Post-Termination**

8 **1) School Responsibilities:** In the event the School has exhausted all of its appellate
9 rights and has been unsuccessful, the School shall be dissolved under the
10 provisions of law under which the School was organized. Student records and
11 copies of all administrative, operational, and financial records of the School shall
12 be provided to the Sponsor on the date the termination/non-renewal takes effect.

13 **2) School Furniture, Fixtures, Equipment, and Funds:** Any property,
14 improvements, furnishings, and equipment purchased with public funds shall
15 automatically revert to the Sponsor (subject to any lawful liens and
16 encumbrances). If the School's accounting records fail to clearly establish
17 whether a particular asset was purchased with public funds or non-public funds,
18 then it shall be presumed public funds were used and ownership of the asset shall
19 automatically revert to the Sponsor. Property and assets purchased with public
20 funds shall be defined as those goods purchased with grants and funds provided
21 by a governmental entity. Funds provided by the School and used by a
22 management company to purchase property and assets for the School are
23 considered public funds.

24 **3) School Debt:** The School shall be responsible for all the debts of the School. The
25 Sponsor may not assume the debt from any contracted services made between the
26 governing body of the School, the Management Company, and/or third parties.

27 **4) Unencumbered Funds:** Upon the Sponsor's request, unencumbered public funds
28 from the School, any improvements, furnishings, and equipment purchased with
29 public funds, or financial or other records pertaining to the School, in the
30 possession of any person, entity, or holding company other than the School, shall
31 be held in trust until any appeal status is resolved.

1 G) **School Election to Terminate or Non-renew:** If the School elects to terminate or non-
2 renew the charter, it shall provide notice of the election to the Sponsor indicating the final
3 date of operation. All post-termination provisions apply.
4

5 **SECTION 2: ACADEMIC ACCOUNTABILITY**

6 A) **Student Performance: Assessment and Evaluation**
7

8 **1) Initial Year**

9 a) **Expected Outcomes:** The educational goals and objectives for improving
10 student achievement, including how much academic improvement students
11 are expected to show each year, how student progress and performance will
12 be evaluated and the specific results to be attained, as described in Section
13 5a of application: Student Performance, Assessment and Evaluation

14 b) **Methods of Measurement:** The methods used to identify the educational
15 strengths and needs of students and the educational goals and performance
16 standards are those specified in the School's approved application.

17 i. **[Develop measurable educational objectives based on the areas**
18 **tested and reported on the FCAT (if applicable) and any other tests**
19 **required of the School. In the event your Charter School is not**
20 **required to participate in the FCAT, you shall provide measurable**
21 **objectives identifying expected student outcomes.]**
22

23 During the charter term, Gardens School of Technology Arts will
24 endeavor to meet the following objectives for grades **K through 2:**

25
26 The percentage of students assessed at 'Green' on the FAIR 3rd assessment
27 for reading will be:
28

<u>Grade</u>	<u>Green on 3rd Assessment of FAIR</u>
Grade K	80%
Grade 1	80%
Grade 2	80%

29
30 The percentage of students assessed at or above grade level on the end of
31 the year mathematics curriculum assessment (Harcourt Math 2004):
32

<u>Grade</u>	<u>At or above grade level (end of year assessment)</u>
Grade 1	90%
Grade 2	90%

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During the charter term, Gardens School of Technology Arts will endeavor to meet the following objectives for grades 3 through 8:

The percentage of students scoring a Level 3 or higher on the reading FCAT will meet or exceed state and district averages. Current published averages for 2009-2010:

<u>Grade</u>	<u>Palm Beach County</u>	<u>State of FL</u>
Grade 3	79%	69%
Grade 4	77%	75%
Grade 5	72%	71%
Grade 6	69%	66%
Grade 7	67%	67%
Grade 8	55%	54%

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The percentage of students scoring a Level 3 or higher on the mathematics FCAT will meet or exceed state and district averages. Current published averages for 2009-2010:

<u>Grade</u>	<u>Palm Beach County</u>	<u>State of FL</u>
Grade 3	78%	71%
Grade 4	74%	74%
Grade 5	65%	62%
Grade 6	61%	55%
Grade 7	65%	60%
Grade 8	70%	66%

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The percentage of students scoring a Level 3.5 or higher on the writing FCAT will meet or exceed state and district averages. Current published averages for 2009-2010:

<u>Grade</u>	<u>Palm Beach County</u>	<u>State of FL</u>
Grade 4	89%	85%
Grade 8	92%	90%

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The percentage of students scoring a Level 3 or higher on the science FCAT will meet or exceed state and district averages. Current published averages for 2009-2010:

<u>Grade</u>	<u>Palm Beach County</u>	<u>State of FL</u>
Grade 5	53%	46%
Grade 8	46%	41%

1 In determining whether or not the Charter School has met its annual
2 student performance goals, the Charter School will endeavor to compare
3 its student population assessment results with district and state comparable
4 student population performance data. Comparable populations are
5 determined by the following variables: ethnicity; gender; school size
6 (student population); ELL, ESE, and Free and Reduced lunch populations.
7

8 c) **Assessments**

9 i) **State-Required:** Students shall participate in all state assessment
10 programs. The School shall facilitate required alternate
11 assessments and comply with state reporting procedures.

12 ii) **Additional:** Students shall participate in all District assessment
13 programs in which the District's students in comparable
14 grades/schools participate and any other assessments as described
15 in Section 5e of the application: Student Performance, Assessment
16 and Evaluation.

17 iii) **Support:** All School personnel involved with any aspect of the
18 testing process must have knowledge of and abide by state and
19 Sponsor policies, procedures, and standards regarding test
20 administration, test security, test audits, and reporting of test
21 results. The Sponsor shall provide to applicable school staff all
22 services/support activities that are routinely provided to the
23 Sponsor's staff regarding implementation of District and state-
24 required assessment activities, e.g., procedures for test
25 administration, staff training, dissemination and collection of
26 materials, monitoring, scoring, analysis, and summary reporting.

27 iv) The School shall provide adequate technological infrastructure to
28 support all required online test administration.

29 2) **Annual**

30 a) **School Improvement Plan**

31 i) **Minimum Components of SIP**

32 1) The School will provide the Sponsor a School Improvement
33 Plan (SIP) that is based on the goals and objectives in the

1 application (Appendix A) and complies with the guidelines
2 provided by the Sponsor by the date due established by the
3 State and/or Sponsor. The School Improvement Plan shall
4 contain the School's measurable objectives for the subsequent
5 school year.

6 2) The School agrees to the baseline standard of achievement,
7 the outcomes to be achieved, and the methods of measurement
8 that have been mutually agreed upon in the School
9 Improvement Plan.

10 ii) **Deadline for Governing Board Approval:** The governing board
11 of the School shall review and approve the SIP prior to its
12 submission. Minutes documenting SIP approval must be taken.

13 iii) **Monitoring:** The School's governing board shall develop and
14 monitor the implementation of the School Improvement Plan.
15 Schools which fall under the State of Florida Differentiated
16 Accountability Plan will comply with all requirements as they
17 relate to the School Improvement Plan.

18 b) **Assessments:** Students shall participate in assessment programs as
19 described in Section 5e of application: Student Performance, Assessment
20 and Evaluation.

21 i) **State-required:** Students at the School shall participate in all state
22 assessment programs. The School shall facilitate required alternate
23 assessments and comply with state reporting procedures.

24 ii) **Additional:** Students shall participate in all District assessment
25 programs in which the District's students in comparable
26 grades/schools participate and any other assessments as described
27 in Section 5e of the application: Student Performance, Assessment
28 and Evaluation.

29 1) Sponsor shall pay all costs relating to any state-required or
30 Sponsor-required student assessments in accordance with
31 Section 1002.33 (20), Florida Statutes. The School shall be

1 responsible for all costs associated with assessments not
2 mandated by the state or Sponsor.

3 2) If an IEP for a student with disabilities or an EP for a
4 student who participates in programs for the gifted,
5 indicates accommodations or an alternate assessment for
6 participation in a State assessment, the School will
7 facilitate the accommodations or alternate assessment and
8 comply with State reporting procedures.

9 iii) **Support:** All School personnel involved with any aspect of the
10 testing process must have knowledge of and abide by state and
11 Sponsor policies, procedures, and standards regarding test
12 administration, test security, test audits, and reporting of test
13 results. The Sponsor shall provide to applicable school staff all
14 services/support activities that are routinely provided to the
15 Sponsor's staff regarding implementation of District and state-
16 required assessment activities, e.g., procedures for test
17 administration, staff training, dissemination and collection of
18 materials, monitoring, scoring, analysis, and summary reporting.

19 3) **Termination Based on School Grade:** The Contract may be terminated if the
20 School receives a state-designated grade of "F" in any two consecutive years. The
21 Contract may be non-renewed or terminated if the School fails to make adequate
22 academic progress in accordance with state and federal laws. In addition to
23 evaluating the School's success in achieving the objectives stated in the School
24 Improvement Plan, the School shall meet the state's student performance
25 requirements as delineated in State Board of Education Rule 6A-1.09981,
26 *Implementation of Florida's System of School Improvement and Accountability*,
27 based on Fla. Stat. §§ 1001.02, 1008.33, and 1008.345. This accountability
28 criterion shall be based upon the assessment systems of the School, the Sponsor,
29 and the State. The School shall use records and grade procedures that adequately
30 provide the information required by the Sponsor.

31 4) **Textbook Inventory:** The School will maintain, and have available for review, a

1 textbook or digital textbook inventory for core courses which shall include title,
2 date of adoption cycle, and number of texts available and in use.

3 **B) Student Promotion**

4 **1) Student Progression Plan**

5 The Charter School shall be accountable for performance relative to the
6 Student

7 Performance Goal stated in Section 1008.345, F.S. The Charter
8 School is

9 accountable for the performance of its entire student population,
10 pursuant to Section 1008.34 (3) and (5), F.S. A school's performance shall
11 be rated using the same criteria as used by the Florida Department of

12 Education in grading other schools. The Charter School will
13 establish a systematic method for assessing student progress using the District's Pupil
14 Progression Plan and performance at each grade using valid and reliable procedures
15 and following the requirements of the

16 law pursuant to Sections 1008.34, 1000.03, 1008.345, and 1008.25, F.S.
17 The District's Pupil Progression Plan includes:

- 18 1. Kindergarten – Kindergarten Readiness Survey, Concept of Print, and
19 concepts of Print for Writing
- 20 2. First Grade – Concepts Print for Reading, Concepts for Writing, and
21 Running Reading Records
- 22 3. Second Grade - Running Reading Records, Palm Beach Writes, the SRI
- 23 4. Third Grade – Running Reading Records, Palm Beach Writes, Scholastic
24 5. Reading Inventory, Palm Beach County's Sunshine State Standards
25 Diagnostic Assessment, FCAT
- 26 6. Fourth Grade – FCAT, Scholastic Reading Inventory, Palm Beach
27 County's Sunshine Stated Standards Diagnostic Assessment
- 28 7. Fifth Grade – Palm Beach Write, FCAT, Scholastic Reading Inventory,
- 29 8. Palm Beach County Sunshine State Standards Diagnostic Assessment
- 30 9. Sixth Grade through Grade 12 – SRI, FCAT, and Palm Beach County
31 Sunshine State Standards Diagnostic Assessment

1
2 **[Explain in detail the systematic method to be used.]**
3

4 Assessment is usually expressed as feedback that identifies progress made,
5 determines current needs and guides future decisions about teaching and learning.
6 At the Charter School the emphasis will be on data-driven decision making with
7 two complementary assessment processes: Formal Assessments, which are large-
8 scale standardized assessments; and Classroom-based Assessments, which are
9 implemented by the classroom teacher.

10
11 Baseline achievement data will be defined, collected and utilized over a single
12 year as well as longitudinally on a continuing basis in order to systematically
13 assess student progress and performance. Pre and post assessments will be
14 conducted annually (and most importantly in year one). Pre-test data will be
15 utilized as the baseline for determining student placement and student
16 performance levels at the start of the year. Year-end post-test data will then
17 provide evidence of each student's success based on the rate of change between
18 the tests.

19
20 The baseline levels of academic achievement established during the first academic
21 year will be compared to academic achievement levels in subsequent years, once
22 data is available, in order to assess rates of academic progress for the school and
23 its students. Continued longitudinal examination of academic achievement levels
24 will be performed to establish ongoing rates of individual learning gains. The
25 Charter School will compare its student learning gains rates with national
26 progress rates and student performance data on the FCAT will be compared to the
27 student results at the state and district levels.

28
29 An acceptance range of plus or minus five percent ($\pm 5\%$) or plus or minus 0.5
30 (± 0.5) standard deviations from the mean will be used when comparing student
31 populations. Comparable populations are determined by the following variables:

1 ethnicity; gender; school size (student population); ELL, ESE, and Free and
2 Reduced Lunch populations; and similar academic achievement based on the
3 same assessment instruments at the same grade level in reading, writing, and
4 mathematics. These comparisons will be made using the fall administration of the
5 SSS Diagnostic Assessments and/or additional tests used for grades 1-8 and the
6 spring administration for grades 1 and 2 and FCAT data for grades 3-8.

7
8 The use of each measurement and testing standard will provide the necessary
9 feedback to determine the success of the program at each grade level. The
10 school's assessment program will provide valid, reliable, and timely information
11 for teachers to modify instruction, select appropriate modes of classroom
12 activities, monitor student progress, and use assessment results effectively.
13 Various strategies will be employed directly at the classroom level in response to
14 intervene in the situations that might become evident through the assessment data.
15 On a more comprehensive scale, and after careful analysis, the Principal will
16 communicate student performance strengths and weaknesses to the Board of
17 Directors and School Advisory Committee. These governing bodies will then use
18 this information to assist in the school improvement plan goals and objectives and
19 for determining what additional financial, instructional and supplemental
20 resources may be required.

21
22 The school will combine student assessment data, and teacher running records, to
23 determine a student's strengths and weaknesses. Utilization of this analytical data
24 will be how a student's academic strengths and weaknesses are identified, student
25 improvement plans (PMP's) are created, and adjustments are made in classroom
26 instruction. This data will ultimately be used in demonstrating whether or not a
27 student has gained a year's worth of learning.

28
29 **[Describe any additional assessments that will be used by your Charter School.]**
30

1 The Charter School's emphasis will be on data-driven decision making with two
2 complementary assessment processes: Formal Assessments, which are large-scale
3 standardized assessments; and Classroom-based Assessments, which are
4 implemented by the classroom teacher.

5
6 Formal Assessments include: Standardized District and State-Required Tests, an
7 annual *School Climate Survey*, Standards-Based Unit Tests, Diagnostic Base-Line
8 Tests (including SSS diagnostics and any other school selected tests that may be
9 deemed necessary to fill gaps – e.g. FAIR, SAT-10, Princeton Review, etc.)

10
11 Classroom-based Assessments include (but are not limited to): Rubrics,
12 Observation Checklists, Learning Passports, Portfolios, Teacher Created Tests,
13 Anecdotal Records, Student-Teacher Conferences, Audio/Video Clips,
14 Questionnaires and Worksheets, Report Cards

15
16 **The Charter School is responsible for the technology necessary to administer**
17 **assessments.**

18
19 **[Develop measurable educational objectives based on the areas tested and reported**
20 **on the FCAT (if applicable) and any other tests required of the School. In the event**
21 **your Charter School is not required to participate in the FCAT, you shall provide**
22 **measurable objectives identifying expected student outcomes.]**

23
24 During the charter term, Gardens School of Technology Arts will endeavor to meet the
25 following objectives for grades **K through 2**:

26
27 The percentage of students assessed at 'Green' on the FAIR 3rd assessment for reading
28 will be:

29

<u>Grade</u>	<u>Green on 3rd Assessment of FAIR</u>
Grade K	80%
Grade 1	80%

Grade 2	80%
---------	-----

The percentage of students assessed at or above grade level on the end of the year mathematics curriculum assessment (Harcourt Math 2004):

Grade	At or above grade level (end of year assessment)
Grade 1	90%
Grade 2	90%

During the charter term, Gardens School of Technology Arts will endeavor to meet the following objectives for grades 3 through 8:

The percentage of students scoring a Level 3 or higher on the reading FCAT will meet or exceed state and district averages. Current published averages for 2009-2010:

Grade	<i>Palm Beach County</i>	<i>State of FL</i>
Grade 3	79%	69%
Grade 4	77%	75%
Grade 5	72%	71%
Grade 6	69%	66%
Grade 7	67%	67%
Grade 8	55%	54%

The percentage of students scoring a Level 3 or higher on the mathematics FCAT will meet or exceed state and district averages. Current published averages for 2009-2010:

Grade	<i>Palm Beach County</i>	<i>State of FL</i>
Grade 3	78%	71%
Grade 4	74%	74%
Grade 5	65%	62%
Grade 6	61%	55%
Grade 7	65%	60%
Grade 8	70%	66%

The percentage of students scoring a Level 3.5 or higher on the writing FCAT will meet or exceed state and district averages. Current published averages for 2009-2010:

Grade	<i>Palm Beach County</i>	<i>State of FL</i>
Grade 4	89%	85%
Grade 8	92%	90%

The percentage of students scoring a Level 3 or higher on the science FCAT will meet or exceed state and district averages. Current published averages for 2009-2010:

<u>Grade</u>	<u>Palm Beach County</u>	<u>State of FL</u>
<i>Grade 5</i>	53%	46%
<i>Grade 8</i>	46%	41%

In determining whether or not the Charter School has met its annual student performance goals, the Charter School will endeavor to compare its student population assessment results with district and state comparable student population performance data.

Comparable populations are determined by the following variables: ethnicity; gender; school size (student population); ELL, ESE, and Free and Reduced lunch populations.

2) Graduation Requirements

The Charter Schools serving high school students shall assure compliance with the method for determining graduation requirements pursuant to Section 1008.25, F.S., and that students meet all graduation requirements as defined in Section 1003.43, F.S.

The Charter School shall follow the Sponsor's report card distribution calendar. A copy of the report card, attached as Exhibit N.

The Charter Schools serving high school students will award diplomas, Certificates of Completion, special diplomas for ESE students when indicated on a student's IEP, and State of Florida Certificates for General Education Development (GED) in conjunction with the Sponsor's GED program, or a combination thereof.

Graduation and promotion requirements are contained in the Sponsor's Student Progression Plan, as attached hereto in Exhibit B. Graduation requirements apply to high schools only.

3) Accreditation

Secondary schools shall notify parents and students of the School's accreditation status and the implication on non-accreditation in the application, the parent/student handbook, and the student contract.

4) Other Assessment Tools

As stated in approved Application.

1 C) **Data Access and Use**

- 2 1) **Access to Facilities, Records, and Data:** The School shall allow the Sponsor
3 reasonable access to its facilities and records to review data sources, including
4 collection and recording procedures, in order to assist the Sponsor in making a
5 valid determination about the degree to which student performance requirements
6 have been met as stated in the Contract, and required by Fla. Stat. §§ 1008.31 and
7 1008.345.
- 8 2) **Sponsor Use of Required Assessment Data:** The Sponsor will use results from
9 the state and district required assessment programs referenced in this Charter, the
10 data elements included in the annual report, and any other information acquired
11 by the Sponsor to provide the State Board of Education and the Commissioner of
12 Education the analysis and comparison of the schools' student performance.
- 13 3) **Acceptable Use Policy:** When using the Sponsor's student information systems,
14 all Charter School employees and students are bound by all of the Sponsor's
15 computer policies and standards regarding data privacy and system security.

16 **SECTION 3: STUDENTS**

17 A) **Eligible Students:** The School shall be open to any eligible student residing in Palm
18 Beach County and to students in other districts with which inter-district agreements exist.

19 B) **Grades Served:** ~~Kindergarten through Grade 8~~

20
21
22 C) **Class Size:** The school shall comply with class size restrictions in accordance with
23 Section 1002.33 (16)(b)(3), Florida Statutes.

24
25 D) **Annual Projected Enrollment:**

26 1) **Student Enrollment:** Following is the student enrollment breakdown by year:

- 27 Year 1: 2011-2012 – Grade(s) K-8 – up to 174 students
28 Year 2: 2012-2013 – Grade(s) K-8 – up to 236 students
29 Year 3: 2013-2014 – Grade(s) K-8 – up to 298 students
30 Year 4: 2014-2015 – Grade(s) K-8 – up to 364 students
31 Year 5: 2015-2016 – Grade(s) K-8 – up to 364 students
32

33 2) **Deferred Opening and Student Enrollment:** In the event the School is unable to
34 open in the fall of 2011 the School may defer opening by one year. If the School

1 defers opening, the student enrollment breakdown in paragraph 1 above will be
2 adjusted to reflect the cancellation of the first year and Year 5 will reflect the
3 maximum capacity permitted.

4 3) **Required Instructional Minutes:** Instructional minutes shall be a minimum of 300
5 minutes or in accordance with Florida Education Finance Program.

6 4) **Enrollment Capacity:** The enrollment capacity is contingent on the student capacity
7 as stated on the valid Certificate of Occupancy (CO), Certificate of Use (CU), and/or
8 Fire Permit for the School facility issued by the local governmental agency in whose
9 jurisdiction the facility is located.

10
11 E) **Admissions and Enrollment Plan**

12 The Charter School will serve students residing within the Palm Beach County School
13 District as well as students covered under an inter-district agreement. Any student (school
14 family) that submits a timely and complete application for enrollment in grades K-8 will be
15 eligible to enroll. The school will have an open admissions policy (first come, first served
16 basis) and all applicants will have an equal chance of being admitted.

17
18 1. A complete application is defined as being:

- 19
20 • Signed and completed School Application Form
21 • Completion of statutory requirements, including immunizations (provisions of
22 Florida Statute Chapters 232.0315 and 232.032)
23 • Participation in a pre-enrollment conference with the Principal or other designated
24 school administrator (covering appropriate behavior guidelines and, if applicable,
25 *the School-Family Learning Contract* between the school, student and parent)
26 • Parents and students who have not yet participated in an Open House or "Test
27 Drive" workshop will be encouraged to do so in order to receive detailed
28 information regarding Gardens School of Technology Arts and its programs.

29
30 2. All students are expected to abide by the Student Code of Conduct and all other
31 school policies and procedures. As a part of the *School-Family Learning Contract*,
32 students must sign a commitment agreeing to abide by these policies. Parents must also
33 sign a commitment agreeing to abide by the policies set forth by the school and to
34 commit to a minimum number of volunteer hours with the school.

1 3. The Charter School shall not enroll any student who is under a current term of
2 suspension or expulsion.

3
4 4. The Charter School shall project annually, the number of Full Time Equivalent (FTE)
5 students and the Florida Education Finance Program (FEFP) category that the Charter
6 School will serve each year. Enrollment projections will be capped or limited based upon
7 the availability of space of the Charter School in a grade level, classroom, facility, and
8 location.

9
10 5. The Charter School's initial enrollment period shall begin immediately and be
11 ongoing. Changes to the annual enrollment period dates will be approved by the
12 Governing Board. During the established enrollment periods, the Charter School will
13 accept applications from parent(s) or guardian(s) for enrollment of eligible students,
14 according to the criteria set forth in this Charter.

15
16
17 **Enrollment Procedures**

- 18
19 • The Charter School is subject to compliance with the entry, health examinations,
20 and immunizations section of Section 1003.22, F.S.
- 21
22 • Applications will be received on a continuous basis throughout the enrollment
23 period. The annual enrollment period dates will be approved by the Governing
24 Board. In the event that the number of completed applications exceeds the
25 capacity of the program and facilities (by class or by grade level) a lottery will be
26 conducted. All applicants on the waiting list who have met the enrollment criteria
27 will have an equal chance of being admitted through a random selection process.
28 Once the lottery is conducted, parents will be notified within twenty-one (21)
29 calendar days after the acceptance period deadline of the results. They will then
30 have fourteen (14) days to notify the school through a signed Commitment Letter
31 of their decision to proceed with enrollment. If an accepted applicant decides not
32 to enroll, the slot will be given to the first student on the waiting list. Applications
33 received after the enrollment period closes are placed at the bottom of the waiting

1 list in the order in which lottery names were drawn. If any spaces remain open at
2 the end of the enrollment period, applications will be accepted on a first come,
3 first-served basis.

- 4 • The parent(s) or guardian(s) must complete and sign an application form which
5 must include, but not be limited to, the following:

6
7 The student's name, social security number, date of birth, place of birth, race, local and
8 mailing address, telephone number, verification of birth, last school attended,
9 Home Language Survey

10 > The parent's or guardian's name(s), local and mailing address, and
11 telephone number; and

12
13 > Documentation of eligibility criteria as outlined in the Charter.

- 14
15 • The Charter School may enroll students who meet the eligibility criteria under this
16 Charter by accepting a timely application, unless the number of applications
17 exceeds the capacity of a program, class, grade level, or building. In such case,
18 all applicants shall have an equal chance of being admitted through a random
19 selection process.

- 20
21 • Siblings of students enrolled in the Charter School, children of employees of the
22 Charter School, and children of members of the Governing Board of the Charter
23 School may be given preference during the enrollment and selection process
24 provided they meet the eligibility criteria.

- 25
26 • The Sponsor shall transfer a student's cumulative record, including all
27 disciplinary records, to the Charter School upon enrollment. The Charter School
28 shall comply with the Federal Educational Right to Privacy Act (FERPA), and
29 any other applicable laws and State and federal regulations pertaining to student
30 record confidentiality.

- 1 • The Charter School may not target a student population other than the one
2 approved by the Sponsor.
3
- 4 • Students with disabilities who are enrolled in the Charter School shall be provided
5 programs that fully comply with all the requirements of IDEA and any other
6 applicable Federal or State law. School shall, at its own cost and expense and not
7 that of the Sponsor, ensure that all due process requirements are complied with,
8 shall ensure that there are legally compliant educational assessments of the needs
9 of the students and shall remain liable for full and complete adherence to all such
10 requirements. The School must fund all educational and related services provided
11 to students pursuant to the IEP and will earn funding in accordance with Section
12 1002.33, F.S. and/or others. Initial evaluations are the responsibility of the
13 Sponsor. Psychological and other appropriate re-evaluations are the responsibility
14 of the Charter School. The Charter School will utilize all of the Sponsor's forms
15 and procedures related to pre-referral activities, referral, evaluation, and re-
16 evaluation for ESE eligibility, IEP development, and placement. The Charter
17 School will schedule and conduct IEP meeting pursuant to 34 CFR 300.340-
18 300.350 for each eligible ESE student enrolled in the Charter School. The
19 Charter School shall ensure that appropriate personnel are in attendance at IEP
20 meetings.
21
- 22 • The Charter School shall provide ESE services as documented on the IEP. In the
23 case of a parent choosing a Charter School that cannot implement the student's
24 IEP as presented, an IEP meeting must be convened before the student is enrolled
25 in the Charter School. The IEP committee must review/revise the IEP and
26 determine the student's educational needs. The committee must clearly determine
27 how the student's needs will be met at the Charter School.
- 28 > If it is determined by the IEP committee that the student has needs
29 that cannot be met at the Charter School, the IEP committee will
30 focus on the appropriate placement for the student.
31

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- The District staff shall have access to view, review, copy, retrieve, request, and/or recover the ESE files at the Charter School with reasonable notice for purposes of oversight and monitoring.
 - The Charter School must provide related services documented on IEPs, i.e. speech/language services through a contract process.
 - The Charter School must hire an appropriate number of ESE certified teachers to provide ESE services. The Sponsor must be notified immediately by the Charter School in the event that the certified ESE teacher is no longer employed or providing services to ESE students as required in their IEPs.
 - A certified ESE teacher must maintain written documentation of consultative services for any student whose IEP indicates consultative services.
 - Conference notes that are signed and dated shall be made and filed for all ESE meetings. Copies of all notes shall be distributed to all necessary parties, including but not limited to applicable District personnel.
 - A description of how ESE services will be delivered is attached in Appendix I.
 - Parents of students with disabilities shall be afforded notice of procedural safeguards in their native language, as provided by the Florida Department of Education.
 - Charter Schools will adhere to the Sponsor's guidelines for

1 transferring and transitioning Exceptional Student Education (ESE)
2 students to Charter Schools from District schools or from the
3 District's schools to Charter.
4

5 > Section 504 of the Rehabilitation Act of 1973 and the Americans
6 with Disabilities Act (Section 504/ADA) eligibility must be
7 determined for any student with a documented physical or mental
8 impairment. If a student is eligible, 504/ADA modifications to the
9 existing curriculum must be reflected either on the Individual
10 Educational Plan developed and implemented by the Charter
11 School or on the Sponsor's Section 504/ADA form. This process
12 shall be in compliance with state and federal laws. Any
13 educational modifications provided to a student pursuant to the
14 504/ADA plan must be funded by the Charter School.
15

16 > Students, including students with disabilities, enrolled at the
17 Charter School who are limited English proficient will be served
18 by ESOL-endorsed personnel. The Charter School will follow the
19 Sponsor's Plan for limited English proficient students.
20

21 > An individual English Language Learners (ELL) Plan must be
22 developed for every student identified as limited English
23 proficient. With the exception of an IEP, an ELL Plan shall
24 supersede any other educational plan developed by the Charter
25 School. Development of the ELL Plan must be a joint effort
26 between the Sponsor and the Charter School. This process shall be
27 in compliance with District, State, and Federal guidelines. All
28 educational services provided to a student pursuant to an ELL Plan
29 must be funded by the Charter School.
30

31 > Unless otherwise exempted by Section 1002.33, F.S., the Charter

1 School will complete federal and state reports in accordance with
2 the timelines and specifications of the Sponsor and the Florida
3 Department of Education. The Sponsor shall use its best efforts to
4 put the Charter School on reasonable notice for reports due.
5

- 6 > Enrollment is subject to compliance with the provisions of Section
7 1003.22, F.S., regarding school-entry health examinations and
8 immunizations against communicable diseases, school attendance
9 requirements, and exemptions.

10 **F) Maintenance of Student Records**

- 11 1) **Student Records:** The School shall maintain both active and archival records for
12 current/former students in accordance with Fla. Stat. §§ 1003.25 and 1002.22 and
13 State Board of Education Rule 6A-1.0955.
- 14 2) **Transfer of Student Cumulative Records:** All permanent cumulative records
15 (both Category A, Permanent Information, and Category B, Temporary
16 Information) of students leaving the School, whether by transfer to a traditional
17 public school within the school system or withdrawal to attend another charter
18 school, shall be transferred upon receipt of an official request from a receiving
19 Palm Beach County public school or a Sponsor's charter school. The School may
20 retain copies of the departing student's academic records created during the
21 student's attendance at the School.
- 22 3) **Transfer of Student Cumulative Records Upon School Termination:** Upon
23 termination of a student's enrollment at the School, all permanent cumulative
24 records (both Category A, Permanent Information, and Category B, Temporary
25 Information) of students leaving the School, but not transferring to a Sponsor's
26 public school or charter school, shall be delivered to the Sponsor within five (5)
27 business days. The School may retain copies of the departing student's academic
28 grades and attendance during the student's enrollment at the School.

29 **G) Exceptional Student Education**

- 30 1) **Non-Discrimination:** The School shall not discriminate against students with
31 disabilities in placement, assessment, identification, and admission. The School

1 shall not request, through the School's application or otherwise, a student's IEP or
2 other information regarding a student's special needs, nor shall the school access
3 such information prior to the student's enrollment in the School.

4 **2) Sponsor Responsibilities**

5 **3) School Responsibilities**

6 **4) Services Covered by the 5% Administrative Fee:** The Sponsor shall provide
7 exceptional student education administration services to the School, pursuant to s.
8 1002.33 F.S.

9 **5) Due Process Hearing**

10
11 **H) Dismissal Policies and Procedures**

12 1. Parents/Guardians may withdraw a student from the Charter School at any time.
13 The student will be assigned to his/her area school in accordance with his/her Study
14 Area Code (SAC). The Charter School may withdraw a student involuntarily for
15 failure to maintain eligibility standards or for violation of the Student Conduct Code.

16
17 2. The Charter School may refer students to a District-funded alternative education
18 program utilizing the Sponsor's procedures.

19
20 3. The School shall implement the School's Code of Conduct, the School's policies
21 for discipline, suspension, dismissal and recommendation for expulsion as
22 described in Section 8b of application and in Appendix Q.

23
24
25
26 **SECTION 4: FINANCIAL ACCOUNTABILITY**

27 **A) Revenue**

28 **1) Basis for funding**

29 Students in the school shall be funded the same as students enrolled in other
30 public schools. The Sponsor agrees to fund the Charter School in accordance with
31 Section 1002.33, F.S., as it may from time to time be amended. Funding shall be

1 the sum of district operating funds from the Florida Education Finance Program
2 (FEFP) as provided in Section 1011.62, F.S. and the General Appropriations Act,
3 including gross state and local funds, discretionary lottery funds, and
4 discretionary operating millage funds divided by total district funded weighted
5 full-time equivalent (WFTE) students times the weighted full-time equivalent
6 students of the School. If eligible, the School shall also receive its proportionate
7 share of categorical program funds included in the FEFP. Upon request, the
8 School shall provide the Sponsor with documentation that categorical funds
9 received by the School were expended for purposes for which the categoricals
10 were established by the Legislature. Total funding for the Charter School shall be
11 recalculated during the year to reflect revised calculations under the FEFP by the
12 State and the actual weighted full-time equivalent students reported by the Charter
13 School during the full-time equivalent student survey periods designated by the
14 Commissioner of Education.

15 **a) Student reporting**

16 i) The Charter School shall report its student enrollment to the
17 Sponsor in accordance with Section 1011.60, F.S. and policies and
18 procedures. The School shall use the Sponsor's electronic data
19 processing facility and procedures for the processing of student
20 enrollment, attendance, FTE collection, assessment information,
21 IEP's, LEP plans, 504 plans and any other required individual
22 student plan. The Sponsor shall provide the School with
23 appropriate access to the Sponsor's data processing systems
24 facility. The School shall provide hardware and related
25 infrastructure.

26 ii) The Sponsor shall provide training for the School's personnel in
27 the use of designated District applications necessary to respond to
28 the statutory requirements of Fla. Stat. § 1008.345, including the
29 annual report and the State/District required assessment program.
30 The Sponsor's support for this function will be included in the 5%
31 administrative fee provided in the law. Access by the School to

1 additional data processing applications, materials, or forms not
2 required in the statute or this Charter, but available through the
3 Sponsor, may be negotiated separately by the parties.

4 **iii)** The Charter School shall project annually, the number of Full-
5 Time Equivalent (FTE) students and the Florida Education Finance
6 Program (FEFP) category that the Charter School will serve each
7 year. The Charter School accepts responsibility for delivering
8 actual FTE for each applicable FTE Survey period in accordance
9 with the Sponsor guidelines for FTE reporting.

10 **iv)** The Charter School shall maintain all manual and/or automated
11 records required to support the earning of each FTE reported. This
12 includes, but is not limited to, all data required by the Florida
13 Department of Education, Auditor General, Special Programs,
14 ESE, Vocational and Basic program audits, and includes the
15 December 1 Child Count Data.

16 **v)** The sponsor reserves the right to inspect the FTE records of the
17 Charter School to ensure compliance with state reporting
18 requirements. The Sponsor may audit FTE and supporting
19 documentation. Any discrepancies will be cause for adjustment to
20 subsequent payments. Any loss of funds as a result of actual
21 FTE/Financial or Program audit or findings of the Auditor General
22 is the sole responsibility of the Charter School. Amounts lost, as
23 determined by the Sponsor's Chief Financial Officer or findings of
24 the Auditor General, will be automatically deducted from future
25 payments.

26 **b) Distribution of Funds Schedule**

27 **i)** The Sponsor shall calculate and submit twelve (12) monthly
28 payments to the School. The first payment will be made by July
29 15th Subsequent payments will be made no later than the 15th of
30 each month beginning with July.

31 **ii)** For the first year of this charter agreement, monthly payments will

1 be calculated as follows:

- 2 • July through September will be based on the charter school
- 3 projected FTE revenue divided by twelve (12):
- 4 • October through November will be based on the charter
- 5 school's eleventh day count FTE enrollment for the fiscal
- 6 year divided by nine (9) and adjusted retroactively for
- 7 prior payments during those months;
- 8 • December through March will be based on Actual October
- 9 FTE revenue divided by seven (7) and adjusted
- 10 retroactively for prior payments; and
- 11 • April through June will be based on actual February FTE
- 12 revenue, divided by three (3) and adjusted retroactively
- 13 for prior period adjustments.

14 For the second year and following years of the charter agreement,
15 monthly payments will be calculated as follows:

- 16 • July through September will be based on the charter
- 17 school's average FTE for the prior fiscal year, divided by
- 18 twelve (12):
- 19 • October through November will be based on the charter
- 20 school's eleventh day count FTE enrollment for the fiscal
- 21 year divided by nine (9) and adjusted retroactively for prior
- 22 payments during those months;
- 23 • December through March will be based on Actual October
- 24 and projected February FTE revenue divided by seven (7)
- 25 and adjusted retroactively for prior payments; and
- 26 • April through June will be based on actual October , and
- 27 actual February FTE revenue, divided by three (3) and
- 28 adjusted retroactively for prior period adjustments.
- 29 • In the event the School increases enrollment by 10% or
- 30 more from one academic year to the next, Sponsor shall
- 31 fund the School from July through September based on

1 projected FTE. School shall supply projections by April 1st
2 prior to the fiscal year in which the School will expand its
3 enrollment.

4 ii) If payment is not made within Ten (10) working days after receipt
5 of funding by the Sponsor, the Sponsor shall pay to the School, in
6 addition to the amount of the scheduled disbursement, interest at
7 the rate of one percent (1%) per month calculated on a daily basis
8 on the unpaid balance from the expiration for the Ten (10) day
9 period until such time as the payment is made.

10 iii) Payment shall not be made for students in excess of the School's
11 enrollment capacity and the School facility's valid capacity as
12 determined by the School's Certificate of Occupancy, Certificate
13 of Use, or Fire Permit (whichever is less). In the event that the
14 required county and/or municipality facility permits do not indicate
15 a facility capacity, the School must submit a letter from the
16 architect of record certifying the capacity of the facility.

17 c) **Adjustments:** Total funding shall be recalculated during the school
18 year to reflect actual WFTE students reported by the School during the
19 FTE student survey periods. In the event that the District exceeds the
20 state cap for WFTE for Group 2 programs established by the
21 Legislature, resulting in unfunded WFTE for the district, then the
22 School's funding shall be reduced to reflect its proportional share of
23 any unfunded WFTE. If the charter school submits data relevant to
24 FTE funding that it is later determined through audit procedures to be
25 inaccurate, the charter school shall be responsible for any
26 reimbursement to the sponsor for any errors or omissions. Should the
27 sponsor receive notice of an FTE funding adjustment, which it is
28 attributable to error or substantial noncompliance by the charter
29 school, the sponsor shall deduct such assessed amount from the next
30 available payment otherwise due to the charter school. In the event
31 that the assessment is charged near the end or after the term of the

1 charter agreement where no further payments are due and receive
2 reimbursement within thirty (30) days.

3 d) **Holdback/Proration:** In the event of a state holdback or a proration
4 which changes District funding, the School's funding will be adjusted
5 proportionately. The Sponsor will not be responsible for any liabilities
6 incurred by the School in the event of a state holdback.

7 e) **Summer School Provision:** The School may choose to provide a
8 summer school program using State Supplemental Academic
9 Instruction (SAI) funds. If a student enrolled in the School attends any
10 of the Sponsor's summer school programs, the School shall reimburse
11 the Sponsor for the cost, as determined by the Sponsor, of each
12 student's summer school program. If the School fails to comply with
13 this provision, the Sponsor may deduct the appropriate amount from
14 the School's subsequent FTE payments.

15 2) **Federal Funding**

16 If the Sponsor is providing programs or services to students funded by federal
17 funds, any eligible students enrolled in the Charter School shall be provided
18 federal funds for the same level of service provided students in the schools
19 operated by the Sponsor. Pursuant to provisions of Federal law, the Charter
20 School shall receive all federal funding for which the Charter School is
21 otherwise eligible, including Title I funding, not later than 5 months after the
22 Charter School first opens and within 5 months after any subsequent
23 expansion of enrollment.

24 a) **Title I**

25 i) Any Title I funds allocated to the School must be used to
26 supplement students' greatest instructional needs that have been
27 identified by a comprehensive needs assessment of the entire
28 School and shall be spent in accordance with federal regulations.
29 The academic program funded through Title I shall include
30 Reading, Language Arts, Mathematics and Science

31 ii) The Sponsor's Title I staff will provide technical assistance and

1 support in order to ensure that Title I guidelines are being followed
2 at the School and that students are meeting high content and
3 performance standards.

4 b) **IDEA:** Funding for services provided to students with disabilities in the
5 School will be provided in the same manner as for the Sponsor's other
6 public schools.

7 c) **Federal Grants:** Any eligible student enrolled in the School shall be
8 provided federal funds for the same level of service provided other eligible
9 students in the schools operated by the Sponsor. The Charter School may
10 submit applications and secure funding for any Requests for Proposal
11 issued by a Federal, State, or local public agency. If the Sponsor develops
12 a District-wide grant, the School may be included in the District proposal
13 in accordance with the school eligibility requirements and grant guidelines
14 within the Request for Proposals. .

15 i) When grant proposals are developed by the Sponsor's staff using
16 student or school counts that include the School's students, and the
17 grant is awarded to the Sponsor, the pro-rata share of the dollars or
18 services received from that grant shall be distributed to the School,
19 if eligible, as defined in the budget developed for the grant.

20 3) **Other Funding Sources:** The School may secure funding from private
21 institutions, corporations, businesses and/or individuals.

22 4) **Charter School Capital Outlay Funds**

23 a) **Application:** The Charter School may be eligible for school capital outlay
24 funding as per sections 1002.33 (20), and 1013.62, F.S. Prior to release of
25 capital outlay funds from the Sponsor to the Charter School, the Charter
26 School must provide the Sponsor a capital outlay plan with proposed
27 capital expenditures. If the charter school is non-renewed or terminated,
28 any unencumbered funds and all equipment and property purchased with
29 public funds shall revert to the ownership of the Sponsor as provided for
30 in Section 1002.33 (8) (e), F.S.

31 b) **Distribution:** The Sponsor shall make timely and efficient capital outlay

1 payment to the school upon receipt of all required supporting
2 documentation. The Sponsor shall not certify capital outlay plans if it
3 cannot attest to the School's eligibility.

4 **B) Administrative Fee**

5 1) **Allowable Withholding:** Any administrative fee withheld by the Sponsor shall be
6 limited to five percent (5%) of available funds for the first 250 students as defined
7 in Fla. Stat. § 1002.33(20)(a) not including capital outlay funds, federal and state
8 grants, or any other funds.

9 2) **Capital Outlay Generated Through FEFP Funds:** If the School has a
10 population of 251 or more students, the difference between the total
11 administrative fee calculation and the amount of the administrative fee withheld
12 may be used for capital outlay purposes specified by law. The sponsor shall not
13 withhold an administrative fee from capital outlay funds.

14 3) **Sponsor Use of Administrative Fee:** The administrative fee retained by the
15 Sponsor pursuant to this Contract includes, among other things, a fee for
16 academic and financial monitoring required of the Sponsor by law. At any time,
17 the Sponsor may request reports on school operations and student performance
18 and the School shall provide the reports in a timely manner. Any reports
19 requested by Sponsor shall be subject to Section 1002.33 (5)(b)(1)(j), Florida
20 Statutes.

21 4) **Access to Optional Sponsor Services:** Access by the School to services not
22 required by law, but available through the Sponsor, may be negotiated separately
23 by the parties. The Sponsor is not obligated to provide any services not required
24 by law.

25 5) **Provision of School Lunches:** The School shall be solely responsible for
26 providing school lunches and complying with state and federal reporting
27 requirements. The Sponsor shall provide services related to eligibility and
28 reporting under the federal free and reduced lunch program if requested by the
29 School.

30 **C) Restriction on Charging Tuition:** The Charter School further agrees that it shall not
31 charge any state tuition or fees to students enrolled in an FEFP funded program in any

1 grade through twelve.

2 **D) Allowable Student Fees**

3 1) **Use of Student Fees:** The school shall not charge fees, except those fees normally
4 charged by the Sponsor or as allowed by law. Fees collected must be allocated
5 directly to, and spent only on, the activity or material for which the fee is charged.

6 **E) Budget**

7 1) **Annual:** The School shall provide reasonable proof of the ability to fund the
8 initial startup and the on-going operation of the School. By July 1st of each year,
9 the School's governing board shall provide to the Sponsor an updated annual
10 budget for review, based upon enrollment projections (Appendix L) and, for the
11 initial year of operation, a budget based upon *minimum* enrollment (F). Each
12 budget shall include projected sources of revenue, both public and private, and
13 planned expenditures covering the entire school year.

14 a) **Governing Board Approval:** The school's governing board shall adopt
15 and maintain an annual balanced budget.

16 b) **Submission Date:** The school shall annually transmit to the Sponsor a
17 copy of the school's adopted budget on or before July 1st.

18 2) **Amended Budget:** The School shall provide a copy of the amended budget to the
19 Sponsor within ten (10) days of its approval by the School's governing board.

20 **F) Financial Records, Reports and Monitoring**

21 1) **Maintenance of Financial Records:** The School shall use the standard state
22 codification of accounts as contained in the DOE's Financial and Program Cost
23 Accounting and Reporting for Florida Schools (Red Book), as a means of
24 codifying all transactions pertaining to its operations. The accounting for federal,
25 state and local funds shall be maintained according to existing guidelines,
26 mandates, and practices, i.e., separate funds and bank accounts for federal, state,
27 and local funds as required under applicable statutes. The School's financial
28 activities and reports shall be subject to the Florida Department of Education
29 (DOE) Technical Assistance Paper No. 2009-03, incorporated into this Contract
30 as Appendix M, as well as any subsequently issued directives by the State and
31 other applicable Governmental Accounting Standards.

1 2) **Financial and Program Cost Accounting and Reporting:** The financial
2 statements are to be prepared in accordance with *Generally Accepted Accounting*
3 *Principles* using governmental accounting, regardless of corporate structure.

4 3) **Financial Reports**

5 a) **Monthly Financial Reports:** The school shall submit monthly financial
6 statements within thirty (30) days of every month's end. The following
7 reports must be submitted to the Sponsor:

8 b) Financial Statements reports in accordance to Rule 6A-1.0081, FAC;

9 c) Bank reconciliations, including bank statements, detailed general ledger of
10 cash accounts and cancel checks;

11 d) Cash Flow Reports; and

12 e) Detailed general ledgers by fund

13 The parties agree that the Sponsor, with ten (10) days notice, may
14 reasonably request in accordance with Section 1002.33(5)(b)(1)(j), F.S.
15 and the charter school shall provide, documents on the charter school's
16 financial operations beyond the monthly reports required by this charter.
17 Such reports shall be in addition to those required elsewhere in this
18 charter. The charter school shall not be in non-compliance for any report
19 date delays if modified by the Sponsor or due to circumstances such as
20 natural disaster that is beyond the control of both parties.

21 f) **Quarterly Property Inventory:** The School shall submit to the Sponsor a
22 cumulative listing of all property purchased with public funds, i.e., FEFP,
23 grant, and any other public-generated funds, and a separate cumulative
24 listing of all property purchased with private funds within thirty (30) days
25 of the end of the quarter by September 30, December 31, March 31, and
26 June 30. These lists shall include: (1) date of purchase; (2) item
27 purchased; (3) cost of item; (4) tag number; (5) years of depreciation; and
28 (6) item location.

29 In the event the charter school ceased operations or is dissolved, or this
30 charter is not renewed or is otherwise terminated, any unencumbered
31 public funds of the charter school shall revert to the Sponsor. In the event,

1 all of the charter school's property and improvements, furnishings and
2 equipment purchased with public funds shall be peacefully delivered to the
3 Sponsor and automatically revert to full ownership by the Sponsor.

4 The charter school agrees that, in the event any public funds received by
5 the charter school from or through the Sponsor are used to purchase or
6 improve real property that any unencumbered funds and all equipment and
7 property purchased with public education funds reverts to the ownership
8 of the Sponsor upon termination or non-renewal of this agreement. The
9 reversion of such equipment, property, and furnishings shall focus on
10 recoverable assets, but not on intangible or irrecoverable cost such as
11 rental or leasing fees, normal maintenance, and limited renovations.

12 **g) Program Cost Report:** Charter Schools shall provide program cost report
13 information by July 31st in the state-required format for inclusion in
14 District reporting in compliance with Section 1010.20, F.S., and 6A-
15 1.0071, FAC

16 **h) Annual Financial Audit:** An annual financial audit, required by Fla. Stat.
17 § 218.39, requested and paid for by the School, shall be performed by a
18 licensed Certified Public Accountant. The audit shall be performed in
19 accordance with Generally Accepted Auditing Standards; Government
20 Auditing Standards, issued by the Comptroller General of the United
21 States; and Chapter 10.850, Rules of the Auditor General, State of Florida.
22 The School shall provide the Sponsor with four (4) paper copies and one
23 (1) electronic copy of the audit and the School's responses to the findings
24 (response to Management letter), which shall be bound together in one
25 complete report. In addition, two copies of the audit report (one be
26 electronic) must be submitted to the Auditor General within forty-five (45)
27 days after delivery of the audit report to the School's governing body. The
28 School shall provide the Sponsor with annual financial reports including a
29 management letter, as of June 30 of each year for inclusion in the
30 Sponsor's financial statements. These reports shall include a complete set
31 of annual financial statements and accompanying notes, prepared in

1 accordance with Generally Accepted Accounting principles and reflecting
2 the revenue sources and expenditures by function and object in sufficient
3 detail to allow for the Sponsor's analysis of the School's ability to meet
4 financial obligations and timely repay debt. In addition, if the School is
5 not part of a pre-existing non-profit organization or municipality, the
6 School's financial activities shall be accounted for using the governmental
7 accounting model applicable for state and local governments and their
8 component units, as per Government Accounting Standards Board
9 (GASB) statement 34. The following timeline must be adhered to for
10 submitting the School's financial reports:

11 UNAUDITED STATEMENTS: NO LATER THAN AUGUST 1 OF
12 EACH YEAR.

13 AUDITED STATEMENTS: NO LATER THAN SEPTEMBER 30 OF
14 EACH YEAR. No later than June 1 of each year, the Charter School shall
15 formally notify the Sponsor of the name, address and phone number of the
16 auditor engaged to perform the year end audit and documentation of the
17 auditor's current peer review.

18 e) **Grant Reporting:** The School shall submit quarterly Project
19 Disbursement Reports for each grant to the Sponsor, supported by
20 appropriate documents, including copies of invoices, timesheets, receipts,
21 etc., to determine that grant funds are used and programs are operated in
22 accordance with applicable federal and state statutes, rules, and
23 regulations. All grant recipients will also be subject to scheduled site visits
24 to review records and observe operations.

25 f) **Form 990 (if applicable):** The School will annually provide the Sponsor a
26 copy of its Form 990, Return of Organization Exempt from Income Tax,
27 and all schedules and attachments filed to the IRS by January 31. If the
28 IRS does not require Form 990 to be filed, the School will provide the
29 Sponsor with written confirmation from the IRS of such non-requirement.

30 4) **School's Fiscal Year :** The School's fiscal year shall be from July 1 through June
31 30.

1 5) **Financial Recovery/Corrective Plan**

2 a) If the School is found to be in a state of deteriorating financial condition or
3 meets one or more of the conditions delineated in Fla. Stat. 218.503
4 *Determination of financial emergency*, the governing board and the
5 sponsor shall develop a corrective action plan and file the plan with the
6 Commissioner of Education within 30 business days after notification is
7 received in accordance with Fla. Stat. 1002.345. If the governing board
8 and the sponsor are unable to agree on a corrective action plan, the
9 Commissioner of Education shall determine the components of the plan.
10 The governing board shall implement such plan..

11 b) As stated in Fla. Stat. 1002.345, the Sponsor may decide not to renew or
12 may terminate a charter if the charter school or charter technical career
13 center fails to correct the deficiencies noted in the corrective action plan
14 within 1 year after being notified of the deficiencies or exhibits one or
15 more financial emergency conditions specified in Fla. Stat. 218.503 for 2
16 consecutive years.

17 6) **Submission Process:** The School shall submit all required financial statements to
18 the Sponsor in the timeline prescribed by the state..

19 7) **Additional Monitoring:** The Sponsor reserves the right to perform additional
20 audits and investigations at its expense as part of the Sponsor's financial
21 monitoring responsibilities as it deems necessary to ensure fiscal accountability
22 and sound financial management. The School shall be responsible for
23 reimbursement of any unauthorized or misappropriated funds.

24 G) **Financial Management of Schools**

25 1) **Financial Management and Oversight Responsibilities:** The School shall
26 implement the financial management and oversight procedures, controls and
27 methods as described in Sections 18a-d of Application: Financial management
28 and Oversight.

29 2) **Accounting Contract:** The Charter School shall obtain the services of a qualified
30 accountant to assist in compiling and maintaining financial records, reconciling
31 bank statements, preparing financial reports, and obtaining an annual audit. On or

1 before July 1 of each fiscal year, the charter school shall provide to the Sponsor a
2 copy of the contract for such services. If the accountant is an employee of the
3 charter school, a memorandum stating that fact along with a copy of the
4 accountant's resume shall be forwarded to the Sponsor upon hiring. In addition a
5 qualified accountant shall have adequate experience in Governmental Accounting
6 and not-for-profit and a representative of the charter school shall attend any
7 financial training offered by the Sponsor.

8 **3) Disbursement Authorization:** All disbursements, above an established and
9 approved threshold, of the school must contain two authorized signatures. No
10 check may be payable to either of the signatories. The charter school may
11 establish a threshold amount for those checks that may contain one signature. The
12 threshold must be included in the charter school's Accounting Reporting Policies
13 and Procedures.

14 **4) Accounting Policies and Procedures:** The charter school shall include all
15 Accounting Policies, Procedures and Practices for maintaining complete records
16 of all receipts and expenditures. A copy of these policies must be available to the
17 Sponsor during any additional audit or Mid-Year Reviews performed by the
18 Sponsor.

19 **5) Reading Plan Allocations:** If the School does not comply with the core reading
20 plan requirements specified in this Contract, the funds that would have been
21 allocated to the school by the state and/or Sponsor for reading, shall remain with
22 the Sponsor to serve low performing schools pursuant to the CRRP Guidelines.

23 **6) Taxes and Bonds:** Pursuant to Fla. Stat. § 1002.33(9)(m), the School shall not
24 levy taxes or issue bonds secured by tax revenue.

25 **7) Additional Financial Requirements:** The Sponsor may require the School to
26 comply with additional financial requirements mandated by the Florida
27 Department of Education.

28 **8) Utilization of the Sponsor:** The School shall not suggest or represent to third
29 parties, including, but not limited to, vendors, creditors, other business entities or
30 their representatives, governmental entities, or other individuals, that the Sponsor
31 will guarantee payment for any purchases made or debts incurred by the School,

1 nor shall the School represent that the Sponsor will guarantee payment for any
2 loans secured by the School, or that the Sponsor will lend its good faith and credit
3 in order for the School to obtain a loan or other forms of credit.

4 **9) Bank Transfer Information:** The School shall submit a bank information form
5 which will provide all necessary information for the school's bank account where
6 payments from the Sponsor will be deposited. The bank account must be in the
7 same legal name of the school, and the bank information form must be signed by
8 the active governing board chair of the school. The Sponsor shall not send
9 payments to a trust account or to any bank account other than one held and
10 controlled by the School.

11 **H) Description of Internal Audit Procedure** The School shall implement the financial
12 controls and audit procedure described in the School's governing laws and rules, the
13 provisions of this Contract, and the School's approved application, as described in
14 Sections 18a-d of application: Financial Management and Oversight.

15
16
17 **SECTION 5: FACILITIES**

18 **A) Prior Notification**

19 **1) Deadline to Secure Facility:**

20 The School shall provide the Sponsor with documentation regarding the School's
21 property interest (owner or lessee) in the property and facility where the School
22 will operate. If the School does not own the property and facility, the School
23 shall provide a fully executed lease by August 1st. In the event School is unable
24 to meet this deadline School shall at its option either delay opening for the current
25 year (provided the School will meet the required hours of instruction under
26 Florida law) or defer opening by one year. For leased properties, the School shall
27 obtain from the landlord, and provide to the Sponsor, an affidavit indicating the
28 method by which the landlord is complying with the requirements of Fla. Stat. §
29 196.1983 regarding charter school exemption from ad valorem taxes.

30 **2) Deadline to submit zoning approvals and Certificate of Occupancy:** The
31 Charter School will present proof of the appropriate facility certification
32 (including all certificates that are required by applicable building codes) to the

1 Sponsor no later than **August 1st** prior to the first year of operation, If the Charter
2 School does not have the appropriate certifications by **August 1st** prior to the first
3 year of operation or the initial opening day of classes in a different facility, the
4 Charter School may defer opening by one year or delay opening for the current
5 year, provided the Charter School will meet the required hours of instruction in
6 accordance with Florida law.

7 **3) Facility Inspections:** The School shall deliver to the Sponsor copies of any and
8 all facility inspections performed at any time by local governments or any other
9 governmental bodies having jurisdiction within 14 calendar days of the date of the
10 inspection. Subsequent written proof of compliance with any violations arising
11 from such inspections shall also be delivered to the Sponsor in a timely manner.

12 **4) District Inspection of Facility**

13 a) The School shall deliver to the Sponsor written documentation of required
14 inspections and certificates of occupancy by at least thirty (30) days prior
15 to the opening day of classes every year.

16 b) The Sponsor may inspect the School facilities at any time with reasonable
17 notice during the school year to ensure compliance with all applicable
18 state laws and building and zoning requirements.

19 **B) Compliance with Building and Zoning /Requirements**

20 **1) Florida Building Code:** The School shall use facilities that comply with the
21 Florida Building Code, pursuant to Chapter 553, except for State Requirements
22 for Educational Facilities (SREF). The local governing authority shall not adopt
23 or impose local building requirements or restrictions that are more stringent than
24 those found in the Florida Building Code. The agency having jurisdiction for
25 inspection of a facility and issuance of a certificate of occupancy shall be the local
26 municipality or, if in an unincorporated area, the county governing authority.

27 **2) Florida Fire Prevention Code:** Upon promulgation, Charter School facilities
28 shall utilize facilities, which comply with the *Florida Building Code*, pursuant to
29 Chapter 553, F.S. and the *Florida Fire Prevention Code*, pursuant to Chapter 633,
30 F.S.

31 **3) Applicable Laws**

- 1 a) The School shall comply with all applicable laws, ordinances, and codes
2 of federal, state, and local governance, including the IDEA, the ADA, and
3 section 504 of the Rehabilitation Act. The School shall obtain all
4 necessary licenses, permits, zoning, use approval, facility certification, and
5 other approvals required for use and continued occupancy of the facility as
6 required by the local government or other governmental agencies, and
7 copies shall be provided to the Sponsor.
- 8 b) The School's operation shall be subject to necessary local government
9 approvals and if applicable, review of traffic studies/analysis. The School
10 may also be required by the local government to provide amenities to
11 ensure safe access to children/pedestrians walking to the School. Zoning
12 or other land use development orders approving the School use, if issued
13 by the local government entity having jurisdiction over the area where the
14 School property is located, shall satisfy the requirements of the local
15 governmental entity. .
- 16 c) The School shall be responsible for all costs (not otherwise exempted by
17 Florida law) for, or associated with, complying with local ordinances,
18 securing licenses, permits, zoning, use approval, facility certification, and
19 other approvals, including, but not limited to, application fees, advertising
20 costs, surveyor costs, plan review fees, permit costs and licensing costs,
21 traffic analyses/studies, and any other additional charges or surcharges by
22 the local government or other governmental agencies.
- 23 d) At all times, the School shall display a valid and current Certificate of
24 Occupancy, and other certificates required by building and fire
25 enforcement authorities, health and sanitation enforcement authorities and
26 all other applicable enforcement agencies.
- 27 e) In the event the School leases its facilities, Lessor and Lessee shall
28 provide the Sponsor with a disclosure affidavit in accordance with §
29 286.23.

30 **4) Capacity of Facilities**

- 31 a) The School shall not allow the enrollment at any time to exceed the

1 number of students permitted by zoning capacity, certificates of use and/or
2 occupancy, applicable laws and regulations. *If the school is sharing a*
3 *facility with another entity* the total enrollment of all of the charters
4 sharing any such facility shall not exceed the CO and CU capacities of the
5 facility.

6 b) Any change to the official capacity should be reported, in writing with
7 appropriate supporting documentation, within 30 days of change.

8 5) **Leased facilities:** If the School operates in leased facilities, the lease shall be for
9 the term of this Contract, or in lieu thereof, the School shall present a lease with a
10 plan to ensure a facility for the duration of the Contract. The lease shall be signed
11 by a properly authorized member of the governing board, or its designee, as
12 documented in corresponding official governing board meeting minutes.

13 6) **Emergencies:** In unforeseen circumstances or emergencies, if the facility is
14 damaged or unable to safely house students/personnel, the School must notify the
15 Sponsor, immediately, and secure an alternative location to ensure no interruption
16 in instruction. The alternative location shall be subject to all facility requirements
17 indicated in this section.

18 C) **Location**

19 1) **School's Street Address:** The School will be located at _____

20 2) **Temporary Facility (if applicable):** The School will be housed at a temporary
21 facility located at _____ from _____ to
22 _____. Thereafter, the School will be located at the address indicated in
23 paragraph 1 above.

24 3) **Relocation:** The school shall not change or add facilities or locations at any time
25 during the term of this Contract without prior notice to the Sponsor.

26 4) **Additional Campuses, if applicable** _____.

27 D) **Prohibition to Affix Religious Symbols:** The School shall not display any religious or
28 partisan political symbols, statues, artifacts, etc., on or about the property and facilities
29 where the School will operate.

30
31 **SECTION 6: TRANSPORTATION**

- 1 **A) Cooperation Between Sponsor and School:** The Charter School may contract with the
2 Sponsor for student transportation services. If transportation is contracted with the
3 Sponsor, the Sponsor reserves the right to set the arrival and departure times for students.
4 The School shall provide transportation to the School's students consistent with the
5 requirements of Part I. E. of Chapter 1006, Florida Statutes. The School may provide
6 transportation through an agreement or contract with a private provider or parents.
- 7 **B) Reasonable Distance:** Transportation of Charter School students shall be provided by
8 the Charter School consistent with the requirements of subpart I.E. of chapter 1006 and s.
9 1012.45. The governing body of the Charter School may provide transportation through
10 an agreement or contract with the Sponsor, a private provider, or parents. The School
11 and the Sponsor shall cooperate in making arrangements that ensure that transportation is
12 not a barrier to equal access for all students residing within a reasonable distance of the
13 charter school as determined by the School's governing board and in accordance with
14 F.A.C. 6A-3.001.
- 15 **C) Compliance with Safety Requirements:** The Charter School may contract with a
16 Sponsor-approved private transportation firm. If using an approved private firm, the
17 Charter School must submit to the Sponsor the firm's name and a copy of the final
18 transportation plan and the proper documentation that all bus drivers have been properly
19 certified.
- 20 **D) Fees:** The School may not charge a fee for transportation to which the student is entitled
21 pursuant to state law. The School shall reimburse parents for parent-provided
22 transportation costs if the student is legally entitled to transportation.
- 23 **E) Private Transportation Agreement:** The School will provide the Sponsor the name of
24 the private transportation provider and a copy of the signed transportation contract at
25 least ten (10) working days prior to the opening day of classes.
- 26 **F) Reimbursement for School Provided Transportation:** The rate of reimbursement to
27 the School will be equivalent to the reimbursement rate provided by the State for all
28 eligible transported students within the school district.

29
30 **SECTION 7: INSURANCE AND INDEMNIFICATION**

31 **A) Indemnification of Sponsor**

1 The School shall indemnify and hold harmless the Sponsor against all claims, demands,
2 suits, or other forms of liability for personal injury, property damage, or violation of civil
3 rights that may arise out of, or by reason of actions of the School and/or its employees,
4 agents, and representatives. The School, to the extent immunity may be waived pursuant
5 to Fla. Stat. § 768.28, agrees to indemnify, defend with competent counsel, and hold the
6 Sponsor, its members, officers, and agents, harmless from any and all claims, actions,
7 costs, expenses, damages, and liabilities, including reasonable attorney's fees, arising out
8 of, connected with or resulting from: (a) the negligence of the School's employees,
9 contractors, subcontractors, or other agents in connection with and arising out of their
10 services within the scope of this Contract; (b) disciplinary action or the termination of a
11 School employee; (c) the debts accrued by the School and/or non-payment of same; (d)
12 the School's material breach of this Contract or violation of law; (e) any failure by the
13 School to pay its suppliers or any subcontractors; or (f) personal injury, property damage,
14 or violations of civil rights that may arise out of, or by reason of actions of the School
15 and/or its employees, agents, and representatives.

16
17 **1) Indemnification for Professional Liability:** The duty to indemnify for
18 professional liability as insured by the School Leaders Errors and Omissions
19 Liability Policy described in this Contract will continue in full force and effect
20 notwithstanding the expiration or early termination of this Contract with respect
21 to any claims based on facts or conditions which occurred prior to termination. In
22 no way shall the School Leader's Errors and Omissions Liability Policy's three
23 (3) year limitation on post-termination claims of professional liability impair the
24 Sponsor's claims to indemnification with respect to a claim for which the School
25 is insured or for which the School should have been insured under Commercial
26 General Liability Insurance. In addition, the School shall indemnify, defend, and
27 protect and hold the Sponsor harmless against all claims and actions brought
28 against the Sponsor by reason of any actual or alleged infringement of patent or
29 other proprietary rights in any material, process, machine or appliance used by the
30 School.

31 **2) Notification of Third Party Claim, Demand, or Other Action:** Each party shall

1 notify the other party of the existence of any third party claim, demand or other
2 action giving rise to a claim for indemnification under this provision (a "third-
3 party claim") and shall give each other a reasonable opportunity to defend the
4 same at its own expense and with its own counsel, provided that the each party
5 shall at all times have the right to participate in such defense at its own expense.
6 If, within a reasonable amount of time after receipt of notice of a third-party
7 claim, the School or Sponsor shall fail to undertake to defend, the other party shall
8 have the right, but not the obligation, to defend and to compromise or settle
9 (exercising reasonable business judgment) the third-party claim for the account
10 and at the risk and expense of the other party, which the other party agrees to
11 assume. The School or the Sponsor shall make available to each other, at their
12 expense, such information and assistance as each shall request in connection with
13 the defense of a third-party claim.

14 **3) Indemnity Obligations:** Both parties' indemnity obligations under this provision
15 and elsewhere in the Contract shall survive the expiration or termination of this
16 Contract.

17 **B) Indemnification of School**

18 The Sponsor shall indemnify and hold harmless the School against all claims, demands,
19 suits, or other forms of liability for personal injury, property damage, or violation of civil
20 rights that may arise out of, or by reason of actions of the Sponsor and/or its employees,
21 agents, and representatives. The Sponsor, to the extent immunity may be waived pursuant
22 to Fla. Stat. § 768.28, agrees to indemnify, defend with competent counsel, and hold the
23 School, its members, officers, and agents, harmless from any and all claims, actions,
24 costs, expenses, damages, and liabilities, including reasonable attorney's fees, arising out
25 of, connected with or resulting from: (a) the negligence of the Sponsor's employees,
26 contractors, subcontractors, or other agents in connection with and arising out of their
27 services within the scope of this Contract; (b) disciplinary action or the termination of a
28 Sponsor employee; (c) the debts accrued by the Sponsor and/or non-payment of same; (d)
29 the Sponsor's material breach of this Contract or violation of law; (e) any failure by the
30 Sponsor to pay its suppliers or any subcontractors; or (f) personal injury, property
31 damage, or violations of civil rights that may arise out of, or by reason of actions of the

1 Sponsor and/or its employees, agents, and representatives.
2
3

4 C) **Sovereign Immunity** Nothing in this Charter is intended to serve as a waiver of
5 sovereign immunity of any rights or limits to liability provided by Section 768.28,
6 Florida Statutes

7 D) **Acceptable Insurers**

8 1) **Acceptable Insurance Providers:** Insurance providers must be authorized by
9 subsisting certificates of authority by the Department of Financial Services of the
10 State of Florida, or (II) an eligible surplus lines insurer under Florida Statutes. In
11 addition, the insurer must have a Best's Rating of "A" or better and a Financial
12 Size Category of "VI" or better, according to the latest edition of Best's Key
13 Rating Guide, published by A.M. Best Company.

14 2) **Insurance Provider Compliance:** If, during this period when an insurer is
15 providing the insurance as required by this Contract, an insurer fails to comply
16 with the foregoing minimum requirements, as soon as the School has knowledge
17 of any such failure the School shall immediately notify the Sponsor and promptly
18 replace the insurance with insurance provided by another insurer meeting the
19 requirements. Such replacement insurance coverage must be obtained within
20 twenty (20) days of cancellation or lapse of coverage.

21 3) **Minimum Insurance Requirements:** Without limiting any of the other
22 obligations or liabilities of the School, the School shall, at the School's sole
23 expense, procure, maintain and keep in force the amounts and types of insurance
24 conforming to the minimum requirements set forth in this Contract. Except as
25 otherwise specified in this Contract, the insurance shall commence prior to the
26 commencement of the opening of the School and shall be maintained in force,
27 without interruption, until this Contract is terminated.

28 E) **Commercial and General Liability Insurance**

29 1) **Liabilities Required:** School's insurance shall cover the School for those sources
30 of liability (including, without limitation, coverage for operations,
31 Products/Completed Operations, independent contractors, and liability

1 contractually assumed) which would be covered by the latest occurrence form
2 edition of the standard Commercial General Liability Coverage Form (ISO Form
3 CG 00 01), as filed for use in the State of Florida by the Insurance Services
4 Office.

5 2) **Minimum Limits:** The minimum limits to be maintained by the School (inclusive
6 of any amounts provided by an umbrella or excess policy) shall be \$1 million per
7 occurrence/\$3 million annual aggregate.

8 3) **Deductible/Retention:** Except with respect to coverage for Property Damage
9 Liability, the Commercial General Liability coverage shall apply on a first-dollar
10 basis without application of any deductible or self-insured retention.

11 4) **Occurrence/Claims:** The coverage for Property Damage Liability may be subject
12 to a maximum deductible of \$1,000 per occurrence.

13 5) **Additional Insureds:** The School shall include the Sponsor and its members,
14 officers, and employees as Additional Insured on the required Commercial
15 General Liability Insurance. The coverage afforded such Additional Insured shall
16 be no more restrictive than that which would be afforded by adding the Sponsor
17 as Additional Insured using the latest Additional Insured - Owners, Lessees or
18 Contractors (Form B) Endorsement (ISO Form CG 20 10). The certificate of
19 insurance shall be clearly marked to reflect "The Sponsor (The School Board of
20 Palm Beach County, Florida), its members, officers, employees, and agents as
21 Additional Insured."

22 **F) Automobile Liability Insurance**

23 1) **Coverage:** The School's insurance shall cover the School for those sources of
24 liability which would be covered by Section II of the latest occurrence edition of
25 the standard Business Auto Policy (ISO Form CA 00 01), including coverage for
26 liability contractually assumed, as filed for use in the State of Florida by the
27 Insurance Services Office. Coverage shall be included on all owned, non-owned,
28 and hired autos used in connection with this Contract.

29 2) **Occurrence/Claims and Minimum Limits:** The minimum limits to be
30 maintained by the School (inclusive of any amounts provided by an umbrella or
31 excess policy) shall be \$1 million per occurrence, and if subject to an annual

1 aggregate, \$3 million annual aggregate.

2 **G) Workers' Compensation/Employers' Liability Insurance**

3 1) **Coverage:** The School's insurance shall cover the School (and to the extent its
4 subcontractors and its sub-subcontractors are not otherwise insured) for those
5 sources of liability which would be covered by the latest edition of the standard
6 Workers' Compensation Policy, as filed for use in Florida by the National
7 Council on Compensation Insurance, without restrictive endorsements. In addition
8 to coverage for the Florida Workers' Compensation Act, where appropriate,
9 coverage is to be included for the Federal Employers' Liability Act and any other
10 applicable federal or state law.

11 2) **Minimum Limits:** Subject to the restrictions found in the standard Workers'
12 Compensation Policy, there shall be no maximum limit on the amount of
13 coverage for liability imposed by the Florida Workers' Compensation Act or any
14 other coverage customarily insured under Part One of the standard Workers'
15 Compensation Policy. The minimum amount of coverage for those coverages
16 customarily insured under Part Two of the standard Workers' Compensation
17 Policy shall be: EL Each Accident: \$500,000; EL Disease-Policy Limit:
18 \$500,000; EL Disease-Each Employee: \$500,000.

19 **H) School Leader's Errors and Omissions Liability Insurance**

20 1) **Form of coverage:** The School shall provide School Leader's Errors and
21 Omissions Liability Insurance shall be on a form acceptable to the Sponsor and
22 shall cover the School for those sources of liability typically insured by School
23 Leader's Errors and Omissions Liability Insurance, arising out of the rendering or
24 failure to render professional services in the performance of this Contract,
25 including all provisions of indemnification, which are part of this Contract.

26 2) **Coverage Limits:** The minimum limits to be maintained by the School inclusive
27 of any amounts provided by an umbrella or excess policy, shall be \$1 million per
28 claim/annual aggregate.

29 3) **Occurrence/Claims:** The insurance shall be subject to a maximum deductible not
30 to exceed \$25,000 per claim. If the insurance is on a claims-made basis, the
31 School shall maintain, without interruption, the Professional Liability Insurance

1 until three (3) years after termination of this Contract.

2 **I) Property Insurance**

3 1) **Structure Requirements:** If the School is the owner and/or has a mortgage on
4 the school site location, the School shall furnish on a form acceptable to the
5 Sponsor, Property Insurance for the "Building" which is to include the structure
6 as described in this Contract, including permanently installed fixtures, machinery
7 and equipment, outdoor fixtures, and personal property to service the premises. If
8 the Building is under construction, the School shall provide evidence of property
9 insurance for the additions under construction and alterations, repairs, including
10 materials, equipment, supplies, and temporary structures within 100 feet of the
11 premises.

12 2) **Additional Requirements:** In addition, the School shall provide evidence of
13 business personal property coverage to include furniture, fixtures, equipment, and
14 machinery used in the School.

15 3) **Business Personal Property Insurance:** If the School leases the site location,
16 then the School shall provide on a form acceptable to the Sponsor no later than
17 thirty (30) calendar days prior to the opening of school, evidence of business
18 personal property insurance, to include furniture, fixtures, equipment and
19 machinery used in the School.

20 **J) Applicable to All Coverage**

21 1) **Other Coverage:** The insurance provided by the School shall apply on a primary
22 basis and any other insurance or self-insurance maintained by the Sponsor or its
23 members, officers, employees or agents, shall be in excess of the insurance
24 provided by or on behalf of the School.

25 2) **Deductibles/Retention:** Except as otherwise specified, the insurance maintained
26 by the School shall apply on a first-dollar basis without application of deductible
27 or self-insurance retention.

28 3) **Liability and Remedies:** Compliance with the insurance requirements of this
29 Contract shall not limit the liability of the School, its subcontractors, its
30 sub-subcontractors, its employees or its agents to the Sponsor or others. Any
31 remedy provided to the Sponsor or its members, officers, employees or agents by

1 the insurance shall be in addition to and not in lieu of any other remedy available
2 under the Contract or otherwise.

- 3 4) **Subcontractors:** The school shall require its subcontractors and its sub-
4 subcontractors to maintain any and all insurance required by law.

5
6 **SECTION 8: GOVERNANCE**

- 7 A) **Public or Private Employer:** The parties of this Charter School Charter agree that the
8 Charter School shall select its own employees. The employees shall be **private**. The
9 Charter School agrees that its employment practices shall be nonsectarian and that it shall
10 not violate the anti-discrimination provisions of Section 1000.05, F.S. ["The Florida
11 Educational Equity Act"]. The Charter School agrees to develop and implement
12 personnel practices and procedures that are consistent with state statutes and rules.

13 B) **Governing Board Responsibilities**

- 14 1) **Non-Profit Status:** The School shall organize and be operated by a stand-alone,
15 Florida non-membership, nonprofit corporation, pursuant to Chapter 617 Fla.
16 Stat., at all times throughout the term of this Contract. A limited liability
17 corporation does not qualify as a non-profit organization for purposes of this
18 Contract. If the School has been granted tax-exempt status, the School shall
19 provide the Sponsor with a copy of correspondence from the Internal Revenue
20 Service (IRS) granting tax-exempt status as a section 501(c)(3) organization. The
21 School also will annually provide the Sponsor a copy of its Form 990, Return of
22 Organization Exempt from Income Tax, and all schedules and attachments, within
23 fifteen (15) days of filing with the IRS. If the IRS does not require Form 990 to
24 be filed, the School will provide the Sponsor with written confirmation from the
25 IRS of such non-requirement. Notwithstanding anything set forth in this Contract,
26 the Sponsor does not covenant to extend or pledge its own tax-exempt status in
27 any way for the use and benefit of the School.

- 28 2) **Organizational Plan:** The School shall implement the organizational plan as
29 described in the approved application.

- 30 3) **School Operations:** The School's governing board shall be solely responsible for
31 the operation of the school and exercise continuing oversight over the School's

1 operations. The School's governing board will define and refine policies
2 regarding educational philosophy, and oversee assessment and accountability
3 procedures to assure that the School's student performance standards are met or
4 exceeded.

5 4) **Accountability:** The School's governing board will be held accountable to its
6 students, parents/guardians, and the community at large, through a continuous
7 cycle of planning, evaluation, and reporting as required by law.

8 5) **School Policy and Decision Making:** The School's governing board, in
9 consultation with School staff, shall be responsible for all policy decision making
10 of the School, including creating/adjusting the curriculum and developing and
11 adopting an annual budget.

12 6) **School Employee Supervision:** The teachers, support staff, and contractual staff
13 will be directly supervised by the School's administrator.

14 7) **School Fiscal Agent:** The governing board shall be the fiscal agent for the School
15 and shall be involved from the inception in administrative functions, pursuant to
16 such rules and policies as are developed by the governing board consistent with
17 the standards for other public schools.

18 8) **Eligible Members of the Governing Body:** No employee of the School may be a
19 member of the governing body.

20 9) **Governing Board Compensation:** No member of the School's governing board
21 shall receive compensation, directly or indirectly, from the School's operations,
22 including but not limited to grant funds.

23 10) **School/Parent Contract:** The School agrees to submit any Parent Contracts to
24 the Sponsor for review. The Sponsor shall be provided copies of updated Parent
25 Contract(s). The School shall not use the Parent Contract to discriminate, or
26 create a financial burden or any other barrier to enrollment. At a minimum, all
27 communication to parents, including Parent Contracts, shall be provided in
28 English, Spanish and Haitian-Creole, as appropriate. Attached, as Q, is the
29 School's Parent Contract.

30 11) **Governing Board Reporting:** The Governing Board shall periodically report the
31 School's academic progress to all stakeholders.

1 **12) Governance Training:** The School's governing board members shall participate
2 in charter school governance training, facilitated by the Sponsor or an approved
3 Florida Department of Education vendor, pursuant to state law.

4 **13) Employment of Relatives:** The School and its employees shall comply with state
5 law prohibiting the employment of relatives which prohibits the appointment,
6 employment, promotion, or advancement, or the advocacy for appointment,
7 employment, promotion, or advancement in or to a position in the charter school
8 in which the personnel are serving or over which the personnel exercises
9 jurisdiction or control of an individual who is a relative.

10 **C) Public Records:** The School shall comply with Florida Statutes Chapter 119 (the Public
11 Records Act) and all other applicable statutes pertaining to public records.

12 **D) Reasonable Access to Records by Sponsor:** The School shall provide the Sponsor
13 access to public records, related to the governing board.

14 **E) Sunshine Law:** The School's governing board meetings shall take place locally and in a
15 physical location and facility that is easily accessible to the School's parents, students and
16 employees, be publicized in advance to the school community and be open to the public
17 pursuant to Fla. Stat. § 286.011 (the Sunshine Law): Parents/guardians shall be
18 encouraged to attend. Notification shall be available in languages other than English,
19 where appropriate, e.g., Spanish, and Haitian-Creole. Notices of all governing board
20 meetings must be posted at the School and at the location of the meeting.

21 **F) Reasonable Notice of Governing Board Meetings**

22 1) **Notice of Governing Board Meetings:** The governing board shall publish on the
23 School's website a schedule of all governing board meetings for the school year
24 including the date, time and location of meetings. By July 15 annually, the school
25 shall provide the Sponsor the annual schedule of governing board meetings.

26 2) **Governing Board Meeting Requirements:** The governing board shall meet no
27 less than four times per year.

28 **G) Identification of Governing Board Members**

29 1) **Parent Membership:** The School's governing board shall be diverse and include
30 a parent member, with full membership rights. The parent member must be a
31 parent of a student enrolled in the school. Board members shall possess special

1 skills, talents, and expertise that will support the educational and moral
2 development of the School's students.

3 **2) Governing Board Member Eligibility and Clearance:** The School's governing
4 board members shall be fingerprinted by the Sponsor within thirty (30) days of
5 execution of the School's Contract. Board members appointed to the governing
6 board after the approval of the School's Contract must be fingerprinted within
7 thirty (30) days of their appointment. The cost of fingerprinting shall be borne by
8 the School or the governing board member. The governing board agrees to
9 dismiss governing board members whose fingerprint check results reveal non-
10 compliance with standards of good moral character. Any change in governing
11 board membership must be reported to the Sponsor.

12 **3) Identification of Governing Board Members:** The Charter School shall
13 establish a Charter School Governing Board of at least five members. A minimum
14 of four members must be established prior to the execution of this Agreement and
15 all necessary background checks and documentation must be provided to the
16 Sponsor within thirty (30) days of the execution of this Agreement. At least one
17 member of the Governing Board must be a parent of a child currently enrolled in
18 the Charter School. The parent member must be named by **September 15, 2011.**

19 The Board shall consist of:

- 20 • Debra K. Moore, President
 - 21 • Joshua M. Wiggins, Treasurer
 - 22 • Kristopher E. Benz, Secretary
 - 23 • Melissa Stonecipher, Director
 - 24 • R. Shane Vander Kooi, Director
- 25
26
27

28 SECTION 9: EDUCATION SERVICE PROVIDER

29 A) Education Service Provider Agreement (If Applicable)

30 1) School Use of ESP Services

- 31 a) The contract between the School and the education service provider/
32 management company (ESP) shall require that the ESP operate the School
33 in accordance with the terms stipulated in this Contract and all applicable

1 laws, ordinances, rules, and regulations. The contract between the School
2 and the ESP shall allow the School the ability to terminate the contract
3 with the ESP.

4 b) Neither employees of the ESP nor members of the management
5 company's employees' families, as defined in Florida Statutes section
6 1002.33 shall sit on the School's governing board or serve as officers of
7 the Corporation.

8 c) The School Leader shall be employed by the School and evaluated by the
9 School's governing board. The School Leader shall not own, operate, or
10 serve as an officer of the management company that serves the School.

11 d) The contract between the ESP and the School's governing board shall
12 ensure that an "arms-length," performance-based relationship exists
13 between the governing board and the ESP.

14 e) The contract between the School and the management company shall
15 require that the management company disclose to the School and the
16 Sponsor, any affiliations with individuals or entities (e.g. lessors, vendors,
17 consultants, etc.) doing business with the School.

18 f) The contract shall obligate the School to pay the ESP a reasonable,
19 specific fee for services.

20
21 2) **Submission of ESP Agreement:** The contract between the management company
22 and the School shall be submitted to the Sponsor prior to the approval of the
23 School's Contract, or at the time an ESP is contracted.

24 3) **Amendments to ESP contract:** All proposed amendments to the contract
25 between the management company and the School shall be submitted in advance
26 to the Sponsor for review. A copy of the amended management agreement shall
27 be provided to the Sponsor within five (5) days of execution.

28 4) **ESP Contract Amendments:** If the School and the ESP amend their contract in a
29 manner that results in a material change to the charter, this Contract will require
30 modification through the contract amendment process.

31 5) **Change of ESP:** If the School changes ESP companies, Contract modification

1 revoked by this or any other state. The School shall monitor teacher
2 certification and ensure that teachers maintain their certification current at
3 all times. Temporary instructors employed by the School must have a
4 current substitute teaching certificate issued by the Sponsor.

5 b) The School shall not employ an individual who has resigned in lieu of
6 disciplinary action or who has been dismissed by any school district.

7 **4) Fingerprinting and Background Screening**

8 a) Pursuant to Fla. Stat. §§ 1012.32(2)(a), 1012.465, and 435.04, the School
9 shall fingerprint for level 2 screening of all applicants, for instructional
10 and non-instructional positions, that the School is interested in employing.
11 Additionally, the School agrees that each of its employees, representatives,
12 agents, subcontractors, or suppliers who are permitted access on school
13 grounds when students are present, who have direct contact with students
14 or who have access to or control of school funds must meet level 2
15 screening requirements as described in Fla. Stat. §§ 1012.32 and 435.04.

16 b) The Sponsor shall perform the processing of each applicant's fingerprints.
17 The School or the applicant shall bear any and all costs associated with the
18 required fingerprinting and level 2 background screening.

19 c) The School shall not hire School employees prior to the Sponsor's receipt
20 and review of the fingerprinting and level 2 background screening results
21 of the charter school applicants from the Florida Department of Law
22 Enforcement and the Federal Bureau of Investigation. Potential School
23 employees shall submit official court dispositions for criminal offenses of
24 moral turpitude listed as part of their fingerprint results. The School shall
25 not hire applicants whose fingerprint check and level 2 screening results
26 reveal non-compliance with standards of good moral character.

27
28 **B) Employment Practices**

29 1) **Statutory Prohibition and Required Disclosure regarding Hiring of**
30 **Relatives:** The School and its employees shall comply with state law prohibiting
31 the employment of relatives which prohibits the appointment, employment,

1 promotion, or advancement, or the advocacy for appointment, employment,
2 promotion, or advancement in or to a position in the charter school in which the
3 personnel are serving or over which the personnel exercises jurisdiction or control
4 of an individual who is a relative.

5 2) **Self-Reporting of Arrests:** The School shall require all instructional employees
6 who hold Department of Education teaching certificates to self-report within 48
7 hours to appropriate authorities any arrest and final dispositions of such arrest
8 other than minor traffic violations.

9 3) **Code of Ethics:** The School shall require that its employees abide by the
10 guidelines set forth in Chapter 6B-1.001, Code of Ethics of the Education
11 Profession in Florida, and Chapter 6B-1.006, Principles of Professional Conduct
12 for the Education Profession in Florida. The School shall be responsible for the
13 investigation and discipline of any School employee who may be in violation of
14 these regulations.

15 4) **Personnel Policy:** Attached, as Appendix I is the School's policy for selecting
16 and employing personnel.

17 5) **Collective Bargaining:** School employees shall have the option to bargain
18 collectively and may collectively bargain as a separate unit or as part of the
19 existing School District collective bargaining unit as determined by the structure
20 of the School.

21 6) **Immigration Status:** The School shall employ only individuals legally
22 authorized to work in the United States pursuant to federal immigration laws and
23 USCIS regulations.

24 7) **Employee Discipline:** The School shall discipline its employees pursuant to state
25 law and rules and any applicable federal laws.

26 C) **Sponsor Training of School's Employees**

27 1) **Participation and Cost for Training Activities**

28 a) **Participation in federally funded training:** The Sponsor shall provide
29 federally funded professional development activities to school employees
30 at no cost to the School.

31 b) **Participation in non-federally funded training:** The Sponsor shall

1 provide professional development activities to School employees on a
2 space available basis. The School shall pay all additional costs associated
3 with such activities and the same rates and reimbursement calculations
4 currently charged to the Sponsor.
5

6 SECTION 11: REQUIRED REPORTS/DOCUMENTS

7 The School shall provide all required reports and documents as specified in this Charter Contract
8 and/or as required by law. The Sponsor may require the School to provide additional reports
9 and/or documents as necessary. All such reports shall be subject to Section 1002.33 (5)(b)(1)(j),
10 Florida Statutes.

11 SECTION 12: MISCELLANEOUS PROVISIONS

12 A) **Impossibility:** Neither party shall be considered in default of this Contract if the
13 performance of any section or all of this Contract is prevented, delayed, hindered or
14 otherwise made impracticable or impossible by reason of any strike, flood, hurricane,
15 riot, fire, explosion, war, act of God, sabotage, accident or any other casualty or cause
16 beyond either party's control, and which cannot be overcome by reasonable diligence and
17 without extraordinary expense.

18 B) **Notice of Claim**

19 1) **Time to Submit:** At least thirty (30) days prior to the initial opening day of
20 classes, the School shall furnish the Sponsor with fully completed Certificate(s) of
21 Insurance signed by an authorized representative of the insurer(s) providing all
22 required coverage, 30 calendar days prior to the initial opening day of classes.

23 2) **Notification of Cancellation:** The School shall notify the Sponsor in writing of
24 cancellation of insurance within ten (10) days of the cancellation.

25 3) **Renewal/Replacement:** Until such time as the insurance is no longer required
26 to be maintained by the School, the School shall provide the Sponsor with
27 evidence of the renewal or replacement of the insurance no less than thirty
28 (30) days before the expiration or termination of the required insurance.

29 C) **Drug-Free Workplace:** The School shall be a drug-free workplace pursuant to the
30 Sponsor's rules.

31 D) **Entire Agreement:** This Contract shall constitute the full, entire, and complete

1 agreement between the parties. All prior representations, understandings, and agreements
2 whether written or oral are superseded and replaced by this Contract. This Contract may
3 be altered, changed, added to, deleted from, or modified only through the voluntary,
4 mutual consent of the parties in writing. Neither party will unreasonably withhold
5 approval of any amendments proposed by the other party to this Agreement. Any
6 substantial amendment to this Contract shall require approval of both parties.

7 **E) No Assignment:** This Contract shall not be assigned by either party. The School may,
8 without the consent of the Sponsor, enter into contracts for services, so long as the School
9 remains ultimately responsible for those services as set forth in this Contract.

10 **F) No Waiver:** No waiver of any provision of this Contract shall be deemed or shall
11 constitute a waiver of any other provision unless expressly stated. The failure of either
12 party to insist in any one or more instances upon the strict performance of any one or
13 more of the provisions of this Contract shall not be construed as a waiver or
14 relinquishment of the term or provision, and the same shall continue in full force and
15 effect. No waiver or relinquishment to any provision of this Contract shall be deemed to
16 have been made by either party unless in writing and signed by the parties.

17
18 **G) Survival Including Post-Termination:** All representations and warranties made in this
19 contract shall survive termination of this contract.

20 **H) Severability:** If any provision or any section of this Contract is determined to be
21 unlawful, void or invalid, that determination shall not affect any other provision or any
22 section of any other provision of this Contract and all remaining provisions shall
23 continue in full force and effect

24 **I) Third Party Beneficiary:** This Contract is not intended to create any rights of a third
25 party beneficiary. This clause shall not be construed, however, as contrary to any
26 statutory or constitutional right possessed by a member of the community, a student, or
27 parent/guardian of a student of the School.

28 **J) Choice of Laws:** This Contract is made and entered into in the State of Florida and shall
29 be interpreted according to the laws of Florida, with venue in Palm Beach County. The
30 parties mutually agree that the language and all parts of this Contract shall in all cases be
31 construed as a whole according to its fair meaning, and not strictly for or against any of

1 the parties.

2 **K) Notice:** Every notice, approval, consent or other communication authorized or required
3 by this Contract shall not be effective unless it is in writing and sent postage prepaid by
4 United States mail, directed to the other party at the address provided or such other
5 address as either party may designate by notice from time to time.

6 **M) Authority:** Each of the persons executing this Contract represent and warrant that they
7 have the full power and authority to execute the Contract on behalf of the party for whom
8 he or she signs and that he or she enters into this Contract of his or her own free will and
9 accord and with his or her own judgment, and after consulting with anyone of his or her
10 own choosing, including but not limited to his or her attorney. The School and the
11 Sponsor both represent that they have been represented in connection with the negotiation
12 and execution of this Contract and they are satisfied with the representation.

13
14 **N) Conflict/Dispute Resolution and Alternative Dispute Resolution Process:**

- 15 1. It is agreed by both parties that every effort shall be made to resolve complaints,
16 issues, or concerns by informal communications between the Sponsor and Charter
17 School.
18
19 2. The Charter School shall notify the Sponsor in writing the name of, mailing address,
20 and telephone number of its contact person. Any change in this information shall be
21 submitted in writing to the Sponsor in a timely fashion.
22
23 3. All disputes related to or arising out of this Charter, which the parties are unable to
24 resolve informally, shall be resolved according to the Alternative Dispute Resolution
25 Process provided in this Charter.

26
27 **Alternative Dispute Resolution Process**

28
29 Subject to the applicable provision of Section 1002.33, F.S., as amended from time to
30 time, all disagreements and disputes relating to or arising out of the Charter School Charter
31 which the parties are unable to resolve informally, may be resolved according to the
32 following Dispute Resolution Process, unless otherwise directed or provided for in the
33 aforementioned statute. It is anticipated that a continuing practice of open communication
34 between the Sponsor and the Charter School will prevent the need for implementing a

1 conflict/dispute resolution procedure. The Dispute Resolution Process is as follows:

2
3 STEP 1: Informal discussion shall commence between representatives of the
4 Charter School and the Sponsor regarding the particular issue(s) in
5 question. If the matter is not resolved at Step 1, either party may elect to
6 forward the issue(s) to the next step.

7
8 STEP 2: Written notice by the Sponsor or the Charter School outlining the nature of
9 an identified problem in performance or operations not being met or
10 completed to the satisfaction of either party. If the matter is not resolved
11 at Step 2, either party may elect to forward the issue(s) to the next step.

12
13 STEP 3: A meeting between authorized member of the Governing Board of the
14 Charter School and the Sponsor's representative to discuss the issue(s) and
15 resolution of same, and any proposed modification or amendments to the
16 terms and conditions of the Charter School Charter. If the matter is not
17 resolved at Step 3, either party may elect to forward the issue(s) to the
18 next step.

19
20 STEP 4: The issue will be forwarded to the Florida Department of Education to
21 provide mediation services.

22
23 The aforementioned process, not otherwise pre-empted by Section 1002.33, F.S., shall be
24 equally applicable to both parties to this Charter School Charter in the event of a dispute.

25
26 The Department of Education shall provide mediation services for any dispute regarding
27 this section subsequent to the approval of a charter application and for any dispute
28 relating to the approved charter, except disputes regarding charter school application
29 denials. If the Commissioner of Education determines that the dispute cannot be settled
30 through mediation, the dispute may be appealed to an administrative law judge appointed
31 by the Division of Administrative Hearings. The administrative law judge may rule on
32 issues of equitable treatment of the charter school as a public school, whether proposed
33 provisions of the charter violate the intended flexibility granted charter schools by statute,
34 or on any other matter regarding this section except a charter school application denial,
35 and shall award the prevailing party reasonable attorney's fees and costs incurred to be
36 paid by the prevailing party.

37
38 **0) Headings:** The headings in the Charter are for convenience and reference only and in no way

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define, limit, or describe the scope of the Charter and shall not be considered in the interpretation of the Charter or any provision hereof.

P) Citations: All citations of legal authority shall refer to those in effect when this contract is executed, subject to any subsequent amendments.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written.

ATTEST: GARDENS SCHOOL OF TECHNOLOGY ARTS, INC., on behalf of GARDENS SCHOOL OF TECHNOLOGY ARTS

By: KHLE-37 4/18/11
Signature of Secretary Date

By: Debra K Moore 4/19/11
Signature of Board Chair Date

Name: Kristopher Erik Benz
Secretary

Name: Debra K. Moore
Board Chair

Name: _____
Secretary

Name: _____
Board Chair

1
2
3
4
5
6


ATTEST: THE SCHOOL BOARD OF PALM BEACH COUNTY, FLORIDA

By: _____
WILLIAM F. MALONE Date
SUPERINTENDENT

By: _____
FRANK A. BARBIERI, ESQ. Date
BOARD CHAIRMAN

7
8

APPROVED AS TO FORM:

By:  _____
School Board Attorney Date 4/23/2011

9

Name: COREY M. SMITH
School Board Attorney

10
11

APPENDICES

1
2
3 APPENDIX 1 APPROVED APPLICATION
4
5 APPENDIX 2 EDUCATIONAL PROGRAM AND CURRICULUM
6 (Section 3 of Application)
7
8 APPENDIX 3 THREE YEAR BUDGET
9
10 APPENDIX 4 STUDENT CODE OF CONDUCT
11
12 APPENDIX 5 FDOE TECHNICAL ASSISTANCE PAPER 2009-03
13
14 APPENDIX 6 BUILDING CODE APPROVALS
15 CERTIFICATE OF OCCUPANCY/USE
16 LOCAL JURISDICTIONAL CODE APPROVALS
17 (zoning approvals consistent with type of use, fire and
18 health inspections)
19
20 APPENDIX 7 INSURANCE CERTIFICATES
21
22 APPENDIX 8 BONDING CERTIFICATES
23
24 APPENDIX 9 FINGERPRINT RECORDS AND BACKGROUND
25 CHECKS
26
27 APPENDIX 10 IRS FORM 1023; Application for 501(c)(3), IRS
28 Designation Letter for 501(c)(3) including attachments
29 correspondence and all representations made to the IRS
30
31 APPENDIX 11 STUDENT SCHOOL REPORT CARD
32
33 APPENDIX 12 DESCRIPTION OF ESE SERVICES
34
35 APPENDIX 13 DISTRICT'S BUS EVACUATION DRILL REPORT
36
37 APPENDIX 14 SCHOOL'S ACCOUNTING AND REPORTING
38 POLICIES, PROCEDURES, AND PRACTICES
39

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit 1A

Monthly Lease Payments

Table 7

Table 7 below summarizes the 2012 monthly lease payments GSOTA recorded in its general ledger.

TABLE 7

NO.	CHECK DATE	CHECK #	PAYEE	INVOICE #	CHECK SIGNERS	GSOTA PMT AMOUNT	CCI 2012 SUMMARY STATEMENT
1	01/05/2012	10107	CCI Church	5012	R.S. Vanderkooi / Debra Moore	\$ 9,166.67	\$ 9,166.67
2	01/05/2012	10108	CCI Church	5013	R.S. Vanderkooi	910.00	910.00
3	02/01/2012	10129	CCI Church	5014	R.S. Vanderkooi / L.Thormodsgaard	9,166.67	9,166.67
4	02/01/2012	10138	CCI Church	5015	R.S. Vanderkooi / L.Thormodsgaard	1,140.00	1,140.00
5	03/01/2012	10161	CCI Church	5016	R.S. Vanderkooi	780.00	0.00
6	03/01/2012	10162	CCI Church	5017	R.S. Vanderkooi / L.Thormodsgaard	9,166.67	9,946.67
7	04/01/2012	10181	CCI Church	5018	R.S. Vanderkooi / L.Thormodsgaard	9,166.67	10,066.67
8	04/01/2012	10182	CCI Church	-	R.S. Vanderkooi	900.00	0.00
9	04/19/2012	10195	CCI Church		R.S. Vanderkooi / J. Benz	2,200.00	2,200.00
10	05/01/2012	10204	CCI Church	5020	R.S. Vanderkooi / J. Benz	9,166.67	10,066.67
11	05/01/2012	10205	CCI Church	5021	R.S. Vanderkooi	900.00	0.00
12	05/13/2012	-	-	-	-	0.00	700.00
13	06/01/2012	10223	CCI Church	5022	R.S. Vanderkooi / J. Benz	9,166.67	10,066.67
14	06/01/2012	10227	CCI Church	5023	R.S. Vanderkooi	900.00	0.00
15	07/01/2012	10276	CCI Church	5024	R.S. Vanderkooi / J. Benz	10,833.33	10,833.33
16	07/15/2012	10280	CCI Church	5025	Jeanne Benz	700.00	700.00

17	08/10/2012	10281	CCI Church	5028	R.S. Vanderkooi / J. Benz	1,100.00	1,100.00
18	09/01/2012	10317	CCI Church	5030	R.S. Vanderkooi / L.Thormodsgaard	10,833.33	10,833.33
19	09/04/2012	10323	CCI Church	5029	L.Thormodsgaard	937.50	937.50
20	10/01/2012	10350	CCI Church	5031	R.S. Vanderkooi / L.Thormodsgaard	10,833.33	10,833.33
21	10/01/2012	10351	CCI Church	-	R.S. Vanderkooi	1,050.00	1,050.00
22	11/01/2012	10385	CCI Church	5033	L.Thormodsgaard / J. Benz	10,833.33	10,833.33
23	11/11/2012	10394	CCI Church	-	R.S. Vanderkooi / J. Benz	1,050.00	1,050.00
24	12/01/2012	10401	CCI Church	5035	R.S. Vanderkooi / L.Thormodsgaard	10,833.33	10,833.33
25	12/06/2012	10402	CCI Church		R.S. Vanderkooi / J. Benz	1,237.50	1,237.50
26	01/01/2013	10419	CCI Church		R.S. Vanderkooi / J. Benz	1050.00	0.00
27	01/01/2013	10420	CCI Church		R.S. Vanderkooi / J. Benz	10,833.33	11,883.33
					TOTALS ¹	\$134,855.00	\$ 135,555.00

¹ There is a \$700 variance in the totals due to CCI church listing a \$700 payment received on 05/13/2012.

Post date: 01/10/2012
Amount: \$ 910.00

Account: 866047129
Check Number: 10108

Gardens School of Technology Arts, Inc.
Operating Account
8153 Palm Lane
Palm Beach Gardens, FL 33423-1223

JPMorgan Chase Bank, N.A.
Miami, FL 33165
63-44132879

010108

DATE 1/5/2012

PAY TO THE ORDER OF Covenant Centre, Inc.
Nine Hundred Ten and 00/100

Covenant Centre, Inc.
8153 Palm Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice 6013

\$ 910.00

[Signature]

⑈010108⑈ ⑆267084131⑆ ⑈866047129⑈

3000010085 01-05-2012 >067013052<

Printed on Recycled Paper
100% Recycled Paper
100% Recycled Paper
100% Recycled Paper

Post date: 01/10/2012
Amount: \$ 9166.67

Account: 866047129
Check Number: 10107

Gardens School of Technology Arts, Inc.
Operating Account
8153 Palm Lane
Palm Beach Gardens, FL 33423-1223

JPMorgan Chase Bank, N.A.
Miami, FL 33165
63-44132879

010107

DATE 1/5/2012

PAY TO THE ORDER OF Covenant Centre, Inc.
Nine Thousand One Hundred Sixty-Six and 07/1000

Covenant Centre, Inc.
8153 Palm Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice 6012

\$ 9,166.67

[Signature]

⑈010107⑈ ⑆267084131⑆ ⑈866047129⑈

3000010084 01-05-2012 >067013052<

Printed on Recycled Paper
100% Recycled Paper
100% Recycled Paper
100% Recycled Paper

Post date: 01/11/2012
Amount: \$ 87.25

Account: 866047129
Check Number: 10111

Gardens School of Technology Arts, Inc.
Operating Account
8153 Palm Lane
Palm Beach Gardens, FL 33423-1223

JPMorgan Chase Bank, N.A.
Miami, FL 33165
63-44132879

010111

DATE 1/11/2012

PAY TO THE ORDER OF Shane Vander Kool
Eighty Seven and 25/100

Shane Vander Kool

MEMO: Reimbursement

\$ 87.25

[Signature]

⑈010111⑈ ⑆267084131⑆ ⑈866047129⑈

574114068767 160445 20120111 00000000866047129
TRN_DEBIT PMATADO 8725
North Palm Beach 0541 94004 5741 5 0048

Post date: 01/11/2012
Amount: \$ 5455.00

Account: 866047129
Check Number: 10109

Gardens School of Technology Arts, Inc.
Operating Account
8153 Palm Lane
Palm Beach Gardens, FL 33423-1223

JPMorgan Chase Bank, N.A.
Miami, FL 33165
63-44132879

010109

DATE 1/5/2012

PAY TO THE ORDER OF Green Mouna Academy
Five Thousand Four Hundred Fifty-Five and 00/100

Green Mouna Academy

MEMO: December

\$ 5,455.00

[Signature]

⑈010109⑈ ⑆267084131⑆ ⑈866047129⑈

574114068770 180516 20120111 00000000866047129
TRN_DEBIT PMATADO 545500
North Palm Beach 0541 94004 5741 5 0049

FOR DEPOSIT ONLY
POST-PAID CHECK
FOR CASH WITHDRAWAL

Post date: 02/02/2012
Amount: \$ 9166.67

Account: 866047129
Check Number: 10129

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33409-1123

JPMorgan Chase Bank, N.A.
Miami, FL 33185
62-54132875

010129

DATE 2/1/2012

PAID TO THE ORDER OF Covenant Centre, Inc.
Nine Thousand One Hundred Sixty-Six and 67/100

Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33409

MEMO: Invoice 5014

\$ 9,166.67

3009858616 62-01-2012 0067013852

For the use of the
Customer, National Bank
of Commerce, Florida
Branch, located at
9153 Roan Lane, Palm
Beach Gardens, Florida
33409-1123.

3009858616 62-01-2012 0067013852

Post date: 02/10/2012
Amount: \$ 176.21

Account: 866047129
Check Number: 10147

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33409-1123

JPMorgan Chase Bank, N.A.
Miami, FL 33185
62-54132875

010147

DATE 2/10/2012

PAID TO THE ORDER OF Five K Financial
One Hundred Seventy-Six and 21/100

Five K Financial

MEMO: Basketball club snacks & party

\$ 176.21

3009858616 62-01-2012 0067013852

3009858616 62-01-2012 0067013852

For deposit only

Post date: 02/13/2012
Amount: \$ 5455.00

Account: 866047129
Check Number: 10130

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33409-1123

JPMorgan Chase Bank, N.A.
Miami, FL 33185
62-54132875

010130

DATE 2/12/2012

PAID TO THE ORDER OF Green Mouse Academy
Five Thousand Four Hundred Fifty-Five and 00/100

Green Mouse Academy

MEMO: January

\$ 5,455.00

3009858616 62-01-2012 0067013852

574114062135 130023 20120213 000000000866047129
TRN DEBIT NBENNET2 545500
North Palm Beach 0541 94004 5741 1 0020

For deposit only
American etc.

Post date: 02/14/2012
Amount: \$ 1140.00

Account: 866047129
Check Number: 10138

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33409-1123

JPMorgan Chase Bank, N.A.
Miami, FL 33185
62-54132875

010138

DATE 2/10/2012

PAID TO THE ORDER OF Covenant Centre, Inc.
One Thousand One Hundred Forty and 02/100

Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33409

MEMO: Invoice 5015

\$ 1,140.00

3009858616 62-13-2012 0067013852

3009858616 62-13-2012 0067013852

For the use of the
Customer, National Bank
of Commerce, Florida
Branch, located at
9153 Roan Lane, Palm
Beach Gardens, Florida
33409-1123.

Post date: 03/01/2012
 Amount: \$ 780.00

Account: 866047129
 Check Number: 10161

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Palm Lane
 Palm Beach Gardens, FL 33403-1222

JPMorgan Chase Bank, N.A.
 Miami, FL 33133
 62-54132270

010161

DATE 3/1/2012

PAY TO THE ORDER OF: Covenant Centre, Inc.
 \$ 780.00

Seven Hundred Eighty and 00/100

Covenant Centre, Inc.
 9153 Palm Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 5016

010161 62670841310 866047129*

3100020055 02-25-2012 067013852

FOR DEPOSIT ONLY
 THE CHASE BANK
 AT CANTONMENT, MA
 01960

Post date: 03/01/2012
 Amount: \$ 9166.67

Account: 866047129
 Check Number: 10162

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Palm Lane
 Palm Beach Gardens, FL 33403-1222

JPMorgan Chase Bank, N.A.
 Miami, FL 33133
 62-54132270

010162

DATE 3/1/2012

PAY TO THE ORDER OF: Covenant Centre, Inc.
 \$ 9,166.67

Nine Thousand One Hundred Sixty-Six and 67/100

Covenant Centre, Inc.
 9153 Palm Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 6017

010162 62670841310 866047129*

3100020054 02-25-2012 067013852

FOR DEPOSIT ONLY
 THE CHASE BANK
 AT CANTONMENT, MA
 01960

Post date: 03/02/2012
 Amount: \$ 5455.00

Account: 866047129
 Check Number: 10158

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Palm Lane
 Palm Beach Gardens, FL 33403-1222

JPMorgan Chase Bank, N.A.
 Miami, FL 33133
 62-54132270

010158

DATE 3/1/2012

PAY TO THE ORDER OF: Green Mouse Academy
 \$ 5,455.00

Five Thousand Four Hundred Fifty-Five and 00/100

Green Mouse Academy

MEMO: February

010158 62670841310 866047129*

574111088992 165901 20120302 00000000866047129
 TRN DEBIT LIZCANIL 545500
 North Palm Beach 0541 9404 5741 2 0080

FOR DEPOSIT ONLY
 THE CHASE BANK
 AT CANTONMENT, MA
 01960

Post date: 03/12/2012
 Amount: \$ 87.22

Account: 866047129
 Check Number: 10168

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Palm Lane
 Palm Beach Gardens, FL 33403-1222

JPMorgan Chase Bank, N.A.
 Miami, FL 33133
 62-54132270

010168

DATE 3/8/2012

PAY TO THE ORDER OF: The Children's Academy
 \$ 87.22

Eighty-Seven and 22/100

The Children's Academy

MEMO: Staples

010168 62670841310 866047129*

JPMorgan Chase Bank 031210741638 8422600359460

FOR DEPOSIT ONLY
 THE CHASE BANK
 AT CANTONMENT, MA
 01960

Post date: 04/05/2012
 Amount: \$ 5455.00

Account: 866047129
 Check Number: 10179

Gardens School of Technology Arts, Inc.
 Operating Account
 8153 Robin Lane
 Palm Beach Gardens, FL 33409-1229

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-44132970

010179

DATE 4/1/2012

PAY TO THE ORDER OF Green Moss Academy
 \$ 5,455.00

Five Thousand Four Hundred Fifty-Five and 00/100

Green Moss Academy

MEMO: March

[Signature]

⑆010179⑆ ⑆267084131⑆ 866047129⑆

57411103438 170447 20120405 0000000000 866047129
 TRN DEBIT LIZCANIL 545500
 North Palm Beach 0541 94004 5741 2 0070

*For Deposit Only
 Please Write on Back of
 Check*

Post date: 04/06/2012
 Amount: \$ 900.00

Account: 866047129
 Check Number: 10182

Gardens School of Technology Arts, Inc.
 Operating Account
 8153 Robin Lane
 Palm Beach Gardens, FL 33409-1229

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-44132970

010182

DATE 4/1/2012

PAY TO THE ORDER OF Covenant Centre, Inc.
 \$ 900.00

Nine Hundred and 00/100

Covenant Centre, Inc.
 5153 Robin Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 0019

[Signature]

⑆010182⑆ ⑆267084131⑆ 866047129⑆

3009010828 04-05-2012 >067013852<

*For Deposit Only
 Please Write on Back of
 Check*

Post date: 04/06/2012
 Amount: \$ 9166.67

Account: 866047129
 Check Number: 10181

Gardens School of Technology Arts, Inc.
 Operating Account
 8153 Robin Lane
 Palm Beach Gardens, FL 33409-1229

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-44132970

010181

DATE 4/1/2012

PAY TO THE ORDER OF Covenant Centre, Inc.
 \$ 9,166.67

Nine Thousand One Hundred Sixty-Six and 67/100

Covenant Centre, Inc.
 5153 Robin Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 0018

[Signature]

⑆010181⑆ ⑆267084131⑆ 866047129⑆

3888010181 04-05-2012 >067013852<

*For Deposit Only
 Please Write on Back of
 Check*

Post date: 04/11/2012
 Amount: \$ 265.30

Account: 866047129
 Check Number: 10186

Gardens School of Technology Arts, Inc.
 Operating Account
 8153 Robin Lane
 Palm Beach Gardens, FL 33409-1229

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-44132970

010186

DATE 4/4/2012

PAY TO THE ORDER OF Shara Vander Kool
 \$ 265.30

Two Hundred Sixty-Five and 30/100

Shara Vander Kool

MEMO: Reimbursement for open house and midyear review

[Signature]

⑆010186⑆ ⑆267084131⑆ 866047129⑆

574111081319 115142 20120411 0000000000 866047129
 TRN DEBIT LIZCANIL 26530
 North Palm Beach 0541 94004 5741 2 005

Post date: 04/24/2012

Account: 866047129

Amount: \$ 2200.00

Check Number: 10195

Gardens School of Technology Arts, Inc. Operating Account 8150 Ryan Lane Falm Beach Gardens, FL 33433-1020		JPMorgan Chase Bank, N.A. Miami, FL 33149 63-8411270	010195
DATE		4/15/2012	
PAY TO THE ORDER OF Covenant Centre, Inc.		**2,200.00	
Two Thousand Two Hundred and 00/100		E31433	
Covenant Centre, Inc. 9153 Roan Lane Falm Beach Gardens, FL 33403		E31433	
MEMO: Advice for PTD Field Development			
⑆010195⑆ ⑆267084131⑆ 866047129⑆			

Pay to the Order of
 Name of Payee
 Account Number
 Check Number
 010195

⑆30092004⑆ 04-23-2012 ⑆067013852⑆

Post date: 05/08/2012
 Amount: \$ 900.00

Account: 866047129
 Check Number: 10205

Gardens School of Technology Arts, Inc.
 Opening Account
 8153 Palm Lane
 Palm Beach Gardens, FL 33409-1228

JPMorgan Chase Bank, N.A.
 Miami, FL 33163
 62-8112277

010205

DATE 5/1/2012

PAY TO THE ORDER OF: Coverair Centre, Inc.
 \$ 900.00

Nine Hundred and 00/100

Coverair Centre, Inc.
 8153 Palm Lane
 Palm Beach Gardens, FL 33409

MEMO: Invoice 5021

⑆010205⑆ ⑆267084131⑆ 866047129⑆

For the Payee's Use Only
 Endorsement Required for
 Third Party Payment
 For Cashier Only
 Cashier's Office

3000036131 05-07-2012 86604712952

Post date: 05/08/2012
 Amount: \$ 9166.67

Account: 866047129
 Check Number: 10204

Gardens School of Technology Arts, Inc.
 Opening Account
 8153 Palm Lane
 Palm Beach Gardens, FL 33409-1228

JPMorgan Chase Bank, N.A.
 Miami, FL 33163
 62-8112277

010204

DATE 5/1/2012

PAY TO THE ORDER OF: Coverair Centre, Inc.
 \$ 9,166.67

Nine Thousand One Hundred Sixty-Six and 67/100

Coverair Centre, Inc.
 8153 Palm Lane
 Palm Beach Gardens, FL 33409

MEMO: Invoice 5020

⑆010204⑆ ⑆267084131⑆ 866047129⑆

For the Payee's Use Only
 Endorsement Required for
 Third Party Payment
 For Cashier Only
 Cashier's Office

3000036115 05-07-2012 86604712952

Post date: 05/10/2012
 Amount: \$ 5455.00

Account: 866047129
 Check Number: 10208

Gardens School of Technology Arts, Inc.
 Opening Account
 8153 Palm Lane
 Palm Beach Gardens, FL 33409-1228

JPMorgan Chase Bank, N.A.
 Miami, FL 33163
 62-8112277

010208

DATE 5/1/2012

PAY TO THE ORDER OF: Green Mouse Academy
 \$ 5,455.00

Five Thousand Four Hundred Fifty-Five and 00/100

Green Mouse Academy

MEMO: A/R

⑆010208⑆ ⑆267084131⑆ 866047129⑆

For the Payee's Use Only
 Endorsement Required for
 Third Party Payment
 For Cashier Only
 Cashier's Office

574⑆9100245164522 20120510 00000000866047129
 TRX DEBIT TNEAL 545500
 North Palm Beach 0541 94004 5741 B 0054

For Deposit Only
 Accession Inc.

Post date: 06/14/2012
 Amount: \$ 265.30

Account: 866047129
 Check Number: 10252

Gardens School of Technology Arts, Inc.
 Operating Address
 9159 Roan Lane
 Palm Beach Gardens, FL 33423-1729

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-44132973

010252

DATE 6/14/2012

PAY TO THE ORDER OF Shana Vander Kooil

TWO HUNDRED SIXTY-FIVE AND 33/100

Shana Vander Kooil

MEMO: Wear for students

⑆010252⑆ ⑆267084133⑆ ⑆866047129⑆

57409168331 103058 20120614 000000000566047129

TRN_DEBIT DENNISDX 26530

North Palm Beach 0541 94004 5741 7 0016

Post date: 07/06/2012
 Amount: \$ 10833.33

Account: 866047129
 Check Number: 10276

Gardens School of Technology Arts, Inc.
 Operating Address
 9159 Roan Lane
 Palm Beach Gardens, FL 33423-1729

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-44132973

010276

DATE 7/10/2012

PAY TO THE ORDER OF Covenant Centre, Inc.

Ten Thousand Eight Hundred Thirty-Three and 33/100

Covenant Centre, Inc.
 9159 Roan Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 5024

⑆010276⑆ ⑆267084133⑆ ⑆866047129⑆

3080010011 07-05-2012 >067013P52*

For the Payee's Use Only
 Payment Information
 ⑆010276⑆ ⑆267084133⑆ ⑆866047129⑆
 Payment Center Information
 010276

Post date: 07/17/2012
 Amount: \$ 700.00

Account: 866047129
 Check Number: 10280

Gardens School of Technology Arts, Inc.
 Operating Address
 9159 Roan Lane
 Palm Beach Gardens, FL 33423-1729

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-44132973

010280

DATE 7/10/2012

PAY TO THE ORDER OF Covenant Centre, Inc.

Seven Hundred and 00/100

Covenant Centre, Inc.
 9159 Roan Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 5025

⑆010280⑆ ⑆267084133⑆ ⑆866047129⑆

30806930058 07-15-2012 >067013P52*

For the Payee's Use Only
 Payment Information
 ⑆010280⑆ ⑆267084133⑆ ⑆866047129⑆
 Payment Center Information
 010280

Post date: 07/20/2012
 Amount: \$ 10452.50

Account: 866047129
 Check Number: 10275

Gardens School of Technology Arts, Inc.
 Operating Address
 9159 Roan Lane
 Palm Beach Gardens, FL 33423-1729

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-44132973

010275

DATE 6/28/2012

PAY TO THE ORDER OF Green Mouse Academy

Ten Thousand Four Hundred Fifty-Two and 50/100

Green Mouse Academy

MEMO: [Signature]

⑆010275⑆ ⑆267084133⑆ ⑆866047129⑆

574111110411 104553 20120720 000000000866047129

TRN_DEBIT LIZCANK 1045250

North Palm Beach 0541 94004 5741 2 0058

For Deposit only
 Attention: Liz
 Green Mouse Academy

Post date: 08/02/2012
Amount: \$ 10833.33

Account: 866047129
Check Number: 2080

GARDENS SCHOOL OF TECHNOLOGY ARTS INC. 08-10
3153 ROBIN LANE
NORTH PALM BEACH, FL 33410-1128

DATE AUGUST 2, 2012

PAY TO THE ORDER OF COVENANT CENTRE INTERNATIONAL \$ 10,833.33

CHASE

FOR DEPOSIT ONLY

1002080 02670841310 866047129

3888020802 08-01-2012 867813852

My 4 in One
Check, Deposit
Statement, and
Transfer
Covenant Centre International
3153 Robin Lane
North Palm Beach, FL 33410

Post date: 08/09/2012
Amount: \$ 2500.00

Account: 866047129
Check Number: 10285

Gardens School of Technology Arts, Inc.
Operating Account
3153 Robin Lane
Palm Beach Gardens, FL 33409-1128

JPMorgan Chase Bank, N.A.
Miami, FL 33133
6041132370

DATE 8/7/2012

PAY TO THE ORDER OF Green House Academy \$ 2,500.00

Two Thousand Five Hundred and 00/100

Green House Academy

MEMO: July

1010285 02670841310 866047129

574110049085 171321 20120809 00000000055047129
TRN DEBIT JDANIELS 250000
North Palm Beach 0541 94004 5741 9 0057

For Deposit Only
Accounting Use

Post date: 08/13/2012
Amount: \$ 1100.00

Account: 866047129
Check Number: 10281

Gardens School of Technology Arts, Inc.
Operating Account
3153 Robin Lane
Palm Beach Gardens, FL 33409-1128

JPMorgan Chase Bank, N.A.
Miami, FL 33133
6041132370

DATE 8/8/2012

PAY TO THE ORDER OF Covenant Centre, Inc. \$ 1,100.00

One Thousand One Hundred and 00/100

Covenant Centre, Inc.
3153 Robin Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice 5028

1010281 02670841310 866047129

3888010113 08-10-2012 867813852

My 4 in One
Check, Deposit
Statement, and
Transfer
Covenant Centre International
3153 Robin Lane
North Palm Beach, FL 33410

Post date: 09/05/2012
 Amount: \$ 937.50

Account: 866047129
 Check Number: 10323

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Roan Lane
 Palm Beach Gardens, FL 33463-1229

JP Morgan Chase Bank, N.A.
 Miami, FL 33133
 85-4113297

010323

DATE 9/4/2012

PAY TO THE ORDER OF
 Covenant Centre, Inc.
 \$ 937.50

Nine Hundred Thirty-Seven and 50/100

Covenant Centre, Inc.
 9153 Roan Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 5029

⑈010323⑈ ⑆267084131⑆ 866047129⑈

3000040031 05-04-2012 -067013852-

For deposit only
 North Palm Beach, FL 33408
 Federal Reserve Bank
 of Miami
 Check # 10323
 9/4/2012

Post date: 09/05/2012
 Amount: \$ 10833.33

Account: 866047129
 Check Number: 10317

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Roan Lane
 Palm Beach Gardens, FL 33463-1229

JP Morgan Chase Bank, N.A.
 Miami, FL 33133
 85-4113297

010317

DATE 9/1/2012

PAY TO THE ORDER OF
 Covenant Centre, Inc.
 \$ 10,833.33

Ten Thousand Eight Hundred Thirty-Three and 33/100

Covenant Centre, Inc.
 9153 Roan Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 5030

⑈010317⑈ ⑆267084131⑆ 866047129⑈

3000040067 05-04-2012 -067013852-

For deposit only
 North Palm Beach, FL 33408
 Federal Reserve Bank
 of Miami
 Check # 10317
 9/1/2012

Post date: 09/06/2012
 Amount: \$ 2500.00

Account: 866047129
 Check Number: 10318

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Roan Lane
 Palm Beach Gardens, FL 33463-1229

JP Morgan Chase Bank, N.A.
 Miami, FL 33133
 85-4113297

010318

DATE 9/1/2012

PAY TO THE ORDER OF
 Green House Academy
 \$ 2,500.00

Two Thousand Five Hundred and 00/100

Green House Academy

MEMO: August

⑈010318⑈ ⑆267084131⑆ 866047129⑈

574109131624 132119 20120505 0000000009866047129
 TRN_DEBIT DENNISDX 000
 North Palm Beach 0541 94004 5741 7 0093

For deposit only
 North Palm Beach, FL 33408
 Federal Reserve Bank
 of Miami
 Check # 10318
 9/1/2012

Post date: 09/13/2012
 Amount: \$ 1084.21

Account: 866047129
 Check Number: 10327

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Roan Lane
 Palm Beach Gardens, FL 33463-1229

JP Morgan Chase Bank, N.A.
 Miami, FL 33133
 85-4113297

010327

DATE 9/11/2012

PAY TO THE ORDER OF
 Shave Vander Kool
 \$ 1,084.21

One Thousand Eighty-Four and 21/100

Shave Vander Kool

Reimbursement

MEMO: August

⑈010327⑈ ⑆267084131⑆ 866047129⑈

574109133194 152822 20120806 00000000066047129
 TRN_DEBIT DENNISDX 10342
 North Palm Beach 0541 94004 5741 62 0004

For deposit only
 North Palm Beach, FL 33408
 Federal Reserve Bank
 of Miami
 Check # 10327
 9/11/2012

Post date: 10/01/2012
 Amount: \$ 2500.00

Account: 866047129
 Check Number: 10348

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Palm Lane
 Palm Beach Gardens, FL 33410-1029

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 0-84112277

010348

DATE 10/1/2012

PAY TO THE ORDER OF Green Mouse Academy

TWO THOUSAND FIVE HUNDRED AND 00/100

Green Mouse Academy

MEMO: September

\$ 2,500.00

Sam Thompson

⑈010348⑈ ⑈267084131⑈ 866047129⑈

574109135844 122030 20121001 00000000866047129
 TRN_DEBIT DENNISDK 250000
 North Palm Beach 0541 94004 5741 7 0010

For Deposit Only
 Account Number 866047129

Post date: 10/02/2012
 Amount: \$ 1050.00

Account: 866047129
 Check Number: 10351

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Palm Lane
 Palm Beach Gardens, FL 33410-1029

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 0-84112277

010351

DATE 10/1/2012

PAY TO THE ORDER OF Covenant Centre, Inc.

ONE THOUSAND FIVE HUNDRED AND 00/100

Covenant Centre, Inc.
 9153 Roan Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 5032

\$ 1,050.00

Sam Thompson

⑈010351⑈ ⑈267084131⑈ 866047129⑈

3080020056 10-01-2012 ⑈06701385⑈

For Deposit Only
 Account Number 866047129

Post date: 10/02/2012
 Amount: \$ 10833.33

Account: 866047129
 Check Number: 10350

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Roan Lane
 Palm Beach Gardens, FL 33410-1029

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 0-84112277

010350

DATE 10/2/2012

PAY TO THE ORDER OF Covenant Centre, Inc.

TEN THOUSAND EIGHT HUNDRED THIRTY-THREE AND 33/100

Covenant Centre, Inc.
 9153 Roan Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 5031

\$ 10,833.33

Sam Thompson

⑈010350⑈ ⑈267084131⑈ 866047129⑈

3080020045 10-01-2012 ⑈06701365⑈

For Deposit Only
 Account Number 866047129

Post date: 11/01/2012
 Amount: \$ 4997.50

Account: 866047129
 Check Number: 10382

Gardens School of Technology Arts, Inc.
 Operating Account
 9153 Palm Lane
 Palm Beach Gardens, FL 33410-1029

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 0-84112277

010382

DATE 10/31/2012

PAY TO THE ORDER OF Green Mouse Academy

FOUR THOUSAND NINE HUNDRED NINETY-SEVEN AND 50/100

Green Mouse Academy

MEMO:

\$ 4,997.50

Sam Thompson

⑈010382⑈ ⑈267084131⑈ 866047129⑈

574114177985 083619 20121101 00000000866047129
 TRN_DEBIT PRUSSELL 499750
 North Palm Beach 0541 94004 5741 6 0000

For Deposit Only
 Account Number 866047129

Post date: 11/01/2012
Amount: \$ 2500.00

Account: 866047129
Check Number: 10383

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33409-1229

JP Morgan Chase Bank, N.A.
Miami, FL 33185
(304) 413-2272

DATE 11/01/2012

PAY TO THE ORDER OF Green Mouse Academy
Two Thousand Five Hundred and 00/100

Green Mouse Academy

MEMO: October

010383

\$ 2,500.00

010383 11 26 7084 13 11 866047129

57414177984 063618 20121101 00000000866047129
TRN_DEBIT PRUSSELL 250000
North Palm Beach 0541 94004 5741 6 10009

FOR DEPOSIT ONLY
No Endorsements

Post date: 11/06/2012
Amount: \$ 10833.33

Account: 866047129
Check Number: 10385

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33409-1229

JP Morgan Chase Bank, N.A.
Miami, FL 33185
(304) 413-2272

DATE 11/06/2012

PAY TO THE ORDER OF Covenant Centre, Inc.
Ten Thousand Eight Hundred Thirty-Three and 33/100

Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice 5033

010385

\$ 10,833.33

010385 11 26 7084 13 11 866047129

3800638046 11-06-2012 067013852

For Pay to the Order of:
North Palm Beach, FL 33408
Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33403

Post date: 11/14/2012
Amount: \$ 1050.00

Account: 866047129
Check Number: 10394

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33409-1229

JP Morgan Chase Bank, N.A.
Miami, FL 33185
(304) 413-2272

DATE 11/14/2012

PAY TO THE ORDER OF Covenant Centre, Inc.
One Thousand Fifty and 00/100

Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice 5034

010394

\$ 1,050.00

010394 11 26 7084 13 11 866047129

3800638058 11-13-2012 067013852

For Pay to the Order of:
North Palm Beach, FL 33408
Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33403

Post date: 12/04/2012
Amount: \$ 305.55

Account: 866047129
Check Number: 10395

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33409-1229

JP Morgan Chase Bank, N.A.
Miami, FL 33185
(304) 413-2272

DATE 11/08/2012

PAY TO THE ORDER OF Shane Vander Kool
Three Hundred Five and 55/100

Shane Vander Kool

MEMO: Reimbursement

010395

\$ 305.55

010395 11 26 7084 13 11 866047129

57411150341 165829 20121204 00000000866047129
TRN_DEBIT LIZCANIL 30555
North Palm Beach 0541 94004 5741 2 0057

Post date: 12/04/2012

Account: 866047129

Amount: \$ 2500.00

Check Number: 10404

010404
 Gardens School of Technology Arts, Inc.
 Operating Account
 8153 Roan Lane
 Palm Beach Gardens, FL 33409-1029

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 62-4132973

DATE 12/3/2012

PAY TO THE ORDER OF Green Mouse Academy

2,500.00

TWO THOUSAND FIVE HUNDRED AND 00/100

Green Mouse Academy

MEMO: November

⑆010404⑆ ⑆267084131⑆ ⑆866047129⑆

FOR DEPOSIT ONLY
 ACCELLEARN LLC

574115198508 095312 20121204 0000000000866047129
 TRN_DEBIT TVVLU43 250000
 North Palm Beach 0541 94004 5741 3 10012

Post date: 12/04/2012

Account: 866047129

Amount: \$ 10833.33

Check Number: 10401

010401
 Gardens School of Technology Arts, Inc.
 Operating Account
 8153 Roan Lane
 Palm Beach Gardens, FL 33409-1029

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 62-4132973

DATE 12/1/2012

PAY TO THE ORDER OF Coveland Centre, Inc.

10,833.33

TEN THOUSAND EIGHT HUNDRED THIRTY-THREE AND 33/100

Coveland Centre, Inc.
 8153 Roan Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 5035

⑆010401⑆ ⑆267084131⑆ ⑆866047129⑆

3080010670 12-03-2012 >067013852<

Part of Proceeds of
 Charitable Raffle from
 National Raffle for
 1-2012/2013
 Proceeds for
 Coveland Centre, Inc.
 8153 Roan Lane
 Palm Beach Gardens, FL 33403

Post date: 12/07/2012

Account: 866047129

Amount: \$ 1237.50

Check Number: 10402

010402
 Gardens School of Technology Arts, Inc.
 Operating Account
 8153 Roan Lane
 Palm Beach Gardens, FL 33409-1029

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 62-4132973

DATE 12/3/2012

PAY TO THE ORDER OF Coveland Centre, Inc.

1,237.50

ONE THOUSAND TWO HUNDRED THIRTY-SEVEN AND 50/100

Coveland Centre, Inc.
 8153 Roan Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 5035

⑆010402⑆ ⑆267084131⑆ ⑆866047129⑆

3180010073 12-06-2012 >067013852<

Part of Proceeds of
 Charitable Raffle from
 National Raffle for
 1-2012/2013
 Proceeds for
 Coveland Centre, Inc.
 8153 Roan Lane
 Palm Beach Gardens, FL 33403

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 2

Proposal for Personal Services

Simons & White, Inc.

SIMMONS WHITE

ENGINEERING | PLANNING | CONSULTING | SINCE 1952

April 9, 2015

Covenant Center International
9153 Roan Lane
Palm Beach Gardens, Florida 33403

Attention: Mr. Erik Bentz

Reference: Covenant Church
Palm Beach County, Florida

Dear Mr. Bentz:

We are pleased to submit the following proposal for professional services in connection with the above referenced 4.08 acre site located on the west side of Roan Lane north of Northlake Boulevard in Palm Beach County, Florida. Simmons & White, Inc., hereinafter referred to as the Consultant, proposes to furnish professional services for , hereinafter referred to as the Client of the scope outlined below for the fees stipulated herein.

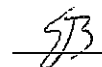
Scope of Services

The Consultant will perform the following:

1. Prepare a Drainage Statement for Zoning Petition/Concurrency Reservation process.

NOTE: This Item assumes the project has legal positive outfall or the Owner will obtain easement across private property to reach legal positive outfall.

2. Revisions to the above based on Site Plan changes, governing agency request for additional information or items beyond the control of the Consultant.
3. Additional services requested by the Client and agreed to by the Consultant such as but not limited to assistance with water and sewer service alternatives for the proposed addition or other engineering related issues.

 Int.

Mr. Erik Bentz
April 9, 2015 – Page 2

Items to be Furnished by the Client
at No Expense to the Consultant

Assist the Consultant by placing at his disposal all available pertinent information relative to the project.

Furnish at no cost to the Consultant:

1. Name and address of property owner and copy of the last recorded Warranty Deed.
2. All permit application and governmental fees and any required bonds/surety.
3. Accurate Site Plan.
4. Complete Conditions of Approval imposed during the planning and zoning process.
5. Soil borings and analysis.
6. All surveying including, but not limited to, property, boundary, easement, right of way, topographic, permanent reference monuments, permanent control points, utility surveys, property descriptions and construction staking, As-built surveys of constructed improvements, and existing utility locations on and adjacent to the property including but not limited to FP&L, AT&T, Cable T.V. & Gas. It is highly recommended that the Client's Surveyor contact "No Cuts" prior to performing survey so that all existing franchise utilities can be shown on the survey to avoid field conflicts during construction.

In addition to the above, other special data, all of which the Consultant will rely upon in performing services.

It is agreed and understood that the accuracy and veracity of said information and data may be relied upon by the Engineer without independent verification of the same.

 Int.

Time of Performance

The Scope of Services will be completed within a time frame to be mutually agreed upon except for delays beyond the control of the consultant.

Fees to be Paid

The Consultant shall be paid the following lump sum fees for the Items in the Scope of Services:

Item 1 - Drainage Statement = \$700

For Items 2 and 3 the Consultant shall be paid an hourly rate of \$160 for Principal, \$185 for Traffic Principal, \$250 for Expert Testimony, \$150 for Senior Traffic Engineer, \$135 for Senior Engineer, \$110 for Engineer, \$100 for Senior Technician, \$80 for Technician, \$50 for Clerical. In addition to the fees above, the Consultant shall be reimbursed for direct expenses including, but not limited to, automobile travel at \$.60 per mile, printing, postage, courier and reproduction. The above fees are subject to increase one year from the date of this proposal.

Payments shall be made upon monthly billing, payable within 21 days from the date of the invoice. Any billing dispute or discrepancy shall be set forth in writing and delivered to Simmons and White Inc. prior to the due date for payment. Any matter not set forth in writing and delivered prior to the due date shall be deemed waived and the invoice shall be deemed correct and due in full. Past due payments shall include interest from the date of the invoice at a simple interest rate of 1-1/2 percent per month.

In the event any invoice or any portion thereof remains unpaid for more than forty-five (45) days following the invoice date, the Consultant may initiate legal proceedings to collect the same and recover, in addition to all amounts due and payable, including accrued interest, its reasonable attorney's fees and other expenses related to the proceeding. Such expenses shall include, but not limited to the cost, determined by the Consultant's normal hourly billing rates, of the time devoted to such proceeding by its employees.

Pursuant to Section 558.0035 of Florida Statutes, an individual employee or agent of Consultant may not be individually liable for negligence.

 Int.

Termination

This Agreement may be terminated by either party by giving three (3) days advance written notice. The Consultant shall be paid for services rendered to the date of termination on the basis of a reasonable estimate of the portion of services completed prior to termination and shall be paid for all reasonable expenses resulting from such termination and for any unpaid reimbursable expenses.

Acceptance

Acceptance of this proposal may be indicated by the signature of a duly authorized official of the Client in the space provided below. One signed copy of this proposal, along with Item 1 under "Items to be Furnished by the Client," returned to the Consultant will serve as an Agreement between the two parties and as Notice to Proceed. (By his signature, the Client certifies that he has sufficient funds reserved to pay for these professional services.) Should this proposal not be accepted within a period of 60 days from the above date, it shall become null and void.

Very truly yours,

SIMMONS & WHITE, INC.



Phillip W. Rowe, Jr., P.E.
Vice President

Accepted by:

Covenant Center International

Signature: 2-37

Company/Individual: COVENANT CENTER INT

Title: Director

Date: 4/9/15

cc: Addressee

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 3

Email Correspondence

Dated 04/14/2015

From: Cotleur & Hearing to Erik Benz then
forwarded to Jeanne Benz

Estimate Fee



Jeanne Benz <jeanne.benz@mysota.net>

Fwd: Submittal intake 04-15- Covenant Church 1974-083

1 message

Erik Benz <erik.benz@mysota.net>
To: Jeanne Benz <jeanne.benz@mysota.net>

Tue, Apr 14, 2015 at 3:04 PM

Sent from my iPhone

Begin forwarded message:

From: Melissa Kostelia <mkostelia@cotleur-hearing.com>
Date: April 14, 2015 at 1:37:26 PM EDT
To: Erik Benz <erik.benz@mysota.net>
Subject: FW: Submittal intake 04-15- Covenant Church 1974-083

Hello Erik,

Please find herein the fee estimate for this project.

The total amount due is \$10,838.58, payable to PBC BOCC.

Thank you!

Melissa Kostelia
Land Use Planner / GIS Specialist
561.747.6336 x114

Landscape Architects
Land Planners
Environmental Consultants

1934 Commerce Lane, Suite 1
Jupiter, FL 33458

CHanging the Way we live to preserve Where we live.

www.cotleurhearing.com

"Cotleur + Hearing" Fee Estimate

Process: DRO or Public Hearing	Public Hearing
Control Number (if assigned):	1974-083
Request:	DOA
List PCNs (all associated with request):	00-43-42-18-00-000-7240 00-43-42-18-01-000-0081
Total traffic trips:	Vested / No change proposed
Total acreage:	4.08 acres
Number of Units (if applicable):	n/a
Square Footage/type (if applicable):	Place of Worship 6,986 SF / 441 Seats Daycare 1,302 SF / 34 Children Charter School 20,260 SF / 364 Students Accessory 7,052 SF
Architecture pages (if applicable):	4
Code Violation resulting in Type II Variance Request	n/a
Concurrency (Equivalent or Reservation)	n/a / no change in concurrency

Certified Mailing- 58

First Class Mailing- 63

Arch fee based on 4 pages add \$9.00 per additional page

Fees

Fee Code	Fee Description	Base Amount	Unit Type	Qty	Amount/Unit	Amount	
03045	Zoning Liens and Fines Research	0.00	PCN	2	51	102.00	Delete Adjust
03085	Per Acre Fee	0.00	ACRE	5	21	105.00	Delete Adjust
03770	Legal Advertisements	124.00		0		124.00	Delete Adjust
03840	Development Order Amendment	5,930.00		0		5,930.00	Delete Adjust
03865	Arch Review: Public Hearing or Final DRO project > 10,000 sq	707.00	ARPPAGES	4	Details	734.00	Delete Adjust
04350	ERM Pre-application (All)	204.00		0		204.00	Delete Adjust
04650	LDev: Zoning Petition Application	255.00	ACRE	5	448	2,495.00	Delete Adjust
04740	PalmTran: Public Hearing and Final DRO Review (includes 2 re	354.00		0		354.00	Delete Adjust
04760	Zoning Postage Domestic-Certified	0.00	CERTLTR	58	4.83	280.14	Delete Adjust
04761	Zoning Postage Domestic-First Class	0.00	FCLTR	63	0.88	55.44	Delete Adjust
04780	ENG TPS Review Fee	0.00	TRIP	0	0.8	150.00	Delete Adjust
05550	Planning DRO Review	305.00		0		305.00	Delete Adjust
Total Fee To Be Paid: 10,838.58							
<input type="button" value="Print"/> <input type="button" value="Add Fee"/> <input type="button" value="Update Quantity"/> <input type="button" value="Cancel"/>							

Source: "Cottell & Hearing"

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 4

Church Invoice dated 04/14/2015

To GSOTA

Land Development Application Fees

AMS
12/14/12

Invoice



Date 4/14/2015
Invoice # 903

Covenant Centre
International
9153 Roan Lane
Palm Beach Gardens,
FL 33403
Phone 561-627-8138

TO Gardens School of
Technology Arts, Inc.
9153 Roan Lane
Palm Beach Gardens,
FL 33403
Phone 561-790-2661

Salesperson	Job	Payment Terms	Due Date
		Due on receipt	

Qty	Description	Unit Price	Line Total
1	Land Development Application Fee For Fees associated with Application for Rezoning As per Palm Beach County Board of County Commissioners and Palm Beach County Building and Zoning <i>10-838</i>	10,838.58	10,838.58
1	Engineering Fees for Drainage Report <i>700</i>	700	700

Subtotal	\$11,538.58
Sales Tax	0
Total	\$ 11,538.58

Make all checks payable to Covenant Centre, Inc.

Thank you for your business!



Gardens School of Technology Arts

A Tuition-Free Public Charter School - Educating Young Innovators for the 21st Century

AMS
12/14/16

Check/Debit Card Requisition Form

DATE: April 14, 2015

AMOUNT: \$11,538.58

Debit Card _____ or Check 11120

Operating X

Internal Service _____

Payable To: Covenant Center, Inc.

- | | |
|---|--|
| <input type="checkbox"/> Classroom Supplies | <input type="checkbox"/> After-Care Supplies |
| <input type="checkbox"/> Textbooks | <input type="checkbox"/> Club Supplies |
| <input type="checkbox"/> Classroom Computer Equipment | <input type="checkbox"/> Field Trips |
| <input type="checkbox"/> Classroom Furniture | <input type="checkbox"/> PTO |
| <input type="checkbox"/> Training | <input type="checkbox"/> Other |
| <input type="checkbox"/> Insurance | |
| <input type="checkbox"/> Rentals | |
| <input type="checkbox"/> Admin Furniture | |
| <input type="checkbox"/> Admin Supplies | |
| <input type="checkbox"/> Building Repairs/Maintenance | |
| <input type="checkbox"/> Other _____ | |

Invoice #:

Detail of items purchased: Land development reimbursement

Requisitioner's Signature Shirley Borne

Approved by [Signature]

Please return completed form to Director of Operations. Attach any receipts/invoices as available.



Gardens School of Technology Arts, Inc.

011120

Covenant Centre, Inc.

4/14/2015

11,538.58

Chase Bank - operatin Invoice 903

11,538.58

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 5

GSOTA's

Conflict of Interest

Policy v1

Gardens School of Technology Arts
Conflict of Interest Policy v1



Directors, officers, administrators, faculty and other employees of the school have an obligation to exercise their authority and to carry out the duties of their respective positions for the sole benefit of the school. Directors must avoid conflicts of interest. A Governing Board Member must avoid placing themselves in a position in which their personal interests are, or may be, in conflict with the interests of the school.

Where a potential conflict of interest exists, it shall be the responsibility of the person involved or any other person with knowledge to notify the Governing Board of the circumstances resulting in the potential conflict. The Governing Board will then provide such guidance and take action as it shall deem appropriate.

Governing Board Members shall not receive any monetary compensation or beneficial interest for their services nor shall they or their immediate family members, as defined by Florida Senate Bill 278, have any personal or financial interest in the school other than their own monetary donations to the school.

Each Governing Board Member will sign the school's *Conflict of Interest Statement*.

Each Governing Board Member will sign the school's *Confidentiality Policy* ensuring all private employment or student matters will remain confidential and will not be used to advance personal interests.

Each administrator, faculty member and other employee of the school will sign a form attached to their employment manual acknowledging their receipt and understanding of all school policies and procedures outlined within the manual, including those policies relating to conflicts of interest.

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 6

Commercial Lease Agreement

Between

Covenant Centre International, Inc
(Landlord)

&

Gardens School of Technology Arts, Inc.
(Tenant)

Term: July 1, 2016 – June 30, 2031

COMMERCIAL LEASE

This Lease Agreement (this "Lease") is dated as of July 01, 2016, by and between Covenant Centre International ("Landlord"), and Gardens School of Technology Arts ("Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant 20,000 sq.ft. of Building A; 6200 sq.ft. of Building B; 3,456 sq.ft. of Building C for years 1-15 of Lease. Then, in addition to prior square footage, 1,728 of Building D and 864 sq.ft. of Building E for years 2-15 of lease agreement. (the "Premises") located at 9153 Roan Lane, Palm Beach Gardens, FL 33403.

TERM. The lease term will begin on July 01, 2016 and will terminate on June 30, 2031.

LEASE PAYMENTS. Tenant shall pay to Landlord monthly installments of \$17,900.00, payable in advance on the first day of each month. Lease payments shall be made to the Landlord at 9153 Roan Lane, Palm Beach Gardens, Florida 33403. The payment address may be changed from time to time by the Landlord.

POSSESSION. Tenant shall be entitled to possession on the first day of the term of this Lease, and shall yield possession to Landlord on the last day of the term of this Lease, unless otherwise agreed by both parties in writing. At the expiration of the term, Tenant shall remove its goods and effects and peaceably yield up the Premises to Landlord in as good a condition as when delivered to Tenant, ordinary wear and tear excepted.

USE OF PREMISES. Tenant may use the Premises only for Monday through Friday from 6:45 am - 6:15 pm and for special events as scheduled. The Premises may be used for any other purpose only with the prior written consent of Landlord, which shall not be unreasonably withheld. Tenant shall notify Landlord of any anticipated extended absence from the Premises not later than the first day of the extended absence.

PARKING. Tenant shall be entitled to use 100 parking space(s) for the parking of the Tenant's customers'/guests' motor vehicle(s).

PROPERTY INSURANCE. Landlord and Tenant shall each maintain appropriate insurance for their respective interests in the Premises and property located on the Premises. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

LIABILITY INSURANCE. Tenant shall maintain liability insurance on the Premises in a total aggregate sum of at least \$0.00. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies.

UTILITIES AND SERVICES.

Landlord shall be responsible for the following utilities and services in connection with the Premises:

- will pay for 35% of Utilities required to operate the property (averaged annually).

Tenant shall be responsible for the following utilities and services in connection with the Premises:

- will pay for 65% of Utilities required to operate the property (averaged annually).

Tenant acknowledges that Landlord has fully explained to Tenant the utility rates, charges and services for which Tenant will be required to pay to Landlord (if any), other than those to be paid directly to the third-party provider.

TAXES. Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

REAL ESTATE TAXES. Landlord shall pay all real estate taxes and assessments for the Premises.

TERMINATION UPON SALE OF PREMISES. Notwithstanding any other provision of this Lease, Landlord may terminate this lease upon 30 days' written notice to Tenant that the Premises have been sold.

DEFAULTS. Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial obligation within 5 days (or any other obligation within 10 days) after written notice of such default is provided by Landlord to Tenant, Landlord may take possession of the Premises without further notice (to the extent permitted by law), and without prejudicing Landlord's rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tenant's financial obligations under this Lease. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses) suffered by Landlord by reason of Tenant's defaults. All sums of money or charges required to be paid by Tenant under this Lease shall be additional rent, whether or not such sums or charges are designated as "additional rent". The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.

RIGHT OF FIRST REFUSAL. In the event (1) this Lease expires by its own terms and Tenant elects not to continue its occupancy of the Premises; or (2) Tenant materially defaults on

this Lease, and fails to cure said default within the allotted time period provided for in this Lease, and Landlord intends to terminate this Lease, the School District of Palm Beach County (School District) shall have the right to assume, and be bound by, all of the covenants, rights, and obligations of the Tenant as stated herein. Landlord agrees to give School District written notice of such action and provide the School District with thirty (30) calendar days in which to agree and execute any reasonable and necessary documents to effectuate the assignment. This right of first refusal does not grant the School District any additional rights than those of the Tenant and for all intents and purposes, the School District shall be considered the Tenant if it elects to assume this Lease. In no event shall the School District be responsible for any debts or obligations of the Tenant prior to the date of such assignment, including, but not limited to, attorneys' fees and costs incurred by Landlord associated with the consummation of the assignment. Should School District decline to assume this Lease or not respond within the stated time frame then Landlord shall have the right to continue termination proceedings against Tenant and shall have no further obligations to School District.

LATE PAYMENTS. For any payment that is not paid within 20 days after its due date, Tenant shall pay a late fee of \$50.00.

CUMULATIVE RIGHTS. The rights of the parties under this Lease are cumulative, and shall not be construed as exclusive unless otherwise required by law.

NOTICE. Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

LANDLORD:

Covenant Centre International
9153 Roan Lane
Palm Beach Gardens, FL 33403

TENANT:

Gardens School of Technology Arts
9153 Roan Lane
Palm Beach Gardens, FL 33403

Such addresses may be changed from time to time by any party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

GOVERNING LAW. This Lease shall be construed in accordance with the laws of the State of Florida.

ENTIRE AGREEMENT/AMENDMENT. This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other

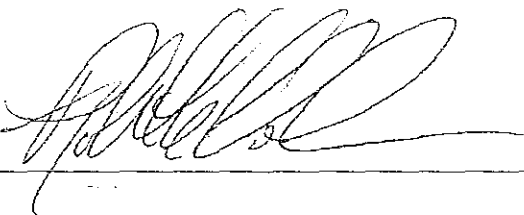
agreements, whether oral or written, relating to the subject matter of this Lease. This lease shall be reviewed annually for consideration of adjustments based on changes in square footage usage and utilities costs. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

BINDING EFFECT. The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.


LANDLORD:
Covenant Centre International

By:  _____

Robert Varnadore,
Vice President

Date: 4/26/16

TENANT:
Gardens School of Technology Arts

By:  _____

David Reyes,
Vice President

Date: 4/27/16

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 7

Letter Dated: May 9, 2016

To: Dr. Robert Avossa

From: Debra Moore, Chair Board of
Directors

Re: GSOTA 15 Year Charter Renewal



Gardens School OF TECHNOLOGY ARTS

Educating Young Innovators for the 21st Century

May 9, 2016

Via Electronic Mail and U.S. Mail

Dr. Robert Avossa
School District of Palm Beach County
3300 Forest Hill Blvd.
West Palm Beach, FL 33406

Re: Gardens School of Technology Arts
Fifteen-year charter renewal

Dear Dr. Avossa,

The purpose of this letter is to request a fifteen-year charter renewal term for Gardens School of Technology Arts (GSOTA). GSOTA is recognized as a 501(c)(3) not-for-profit by the Internal Revenue Service, and opened in 2010. As we come to the close of our fifth year of operations, we would like to share information about our school and some of our accomplishments.

GSOTA has consistently fulfilled our charter mission by providing digitally rich, academically and culturally relevant 21st century learning opportunities for every grade level K-8. Since our opening in 2011, we have implemented a staged increase in creative technology program offerings which currently include multiple project-based, innovative opportunities in Digital Art & Design, Programming and Engineering, and Maker Innovation. We have achieved a 97% satisfaction rate from our students' families as measured by our annual Parent Survey related to overall expectations, academic achievement and school climate. In addition, we are an A-rated public school based upon the 2014-15 state-standardized scores. We have maintained the highest standards of fiscal responsibility, governance accountability, and compliance throughout our five years of operations.

Florida law states that in order to facilitate access to long-term financial resources for charter school construction, charter schools that are operated by a private, not-for-profit, 501(c)(3) status corporation are eligible for up to a 15-year charter, subject to approval by the district school board.

Due to the demand our school has generated we are in the process of negotiating for a long-term lease to enable us to have the capacity necessary to increase our student population. Our current landlord has advised us that they will require a fifteen-year lease term so that they may seek appropriate financing for the necessary construction and modifications to our existing campus. The landlord has requested a fifteen-year charter to facilitate access to financing for school construction.

(continued)

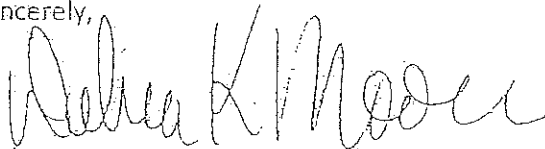
Gardens School of Technology Arts • A Tuition-Free Public Charter School

mysota.net • 9153 Roan Lane • Palm Beach Gardens, FL 33403 • info@mysota.net • 561-290-7661

We understand that nothing in the fifteen-year charter would prevent the school district from taking action against us should we breach the charter or state requirements.

Thank you for your consideration to this request, and we are available to answer any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads "Debra K. Moore".

Debra Moore
Chair, Board of Directors

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 8

Palm Beach County School Board

Meeting Agenda

Dated March 2, 2016



Agenda Item Details

Meeting	Mar 02, 2016 - 3. SPECIAL MEETING immediately following Workshop in the Board Room
Category	9. Consent Agenda
Subject	CS6 Gardens School of Technology Arts - Proposed Renewal of Charter Contract
Type	Action (Consent)
Recommended Action	I recommend the Board approve the Proposed Charter Renewal for Gardens School of Technology Arts, and authorize the Superintendent and/or his designee to sign all related contracts and documents.

DESCRIPTION:

On May 18, 2011, Gardens School of Technology Arts was granted a five (5) year Charter Contract to serve students in grades K-8. This Contract expires on June 30, 2016.

The mission of the school is to, "To prepare young innovators, one student at a time, with the 21st century skills they need to succeed. The essential elements critical to the success of our mission are: Solid academics; Innovative teaching; Engaging, relevant learning activities; Responsible leadership; Family involvement; Community partnerships."

Pursuant to F.S. 1002.33(7)(b)1, Gardens School of Technology Arts meets the criteria for renewal and does not fall under any grounds for termination.

The School Board's approval of the Charter Renewal indicates an agreement to enter into charter contract negotiations, and if successfully negotiated by Legal and approved by the School Board, will result in entering into a Charter Contract. The Charter will be a binding agreement, which shall detail the rights and responsibilities of the School Board and the Charter School. If the Charter Renewal is not approved by the School Board, the School Board is required to send a 90 day notice letter indicating the reasons for non-renewal and the right to appeal. If the Charter School does not appeal, or the School appeals and the School Board prevails, then the school is closed after the 90 days.

Attached are copies of the Charter Contract, Annual Review, Program Renewal Review, PYG Data, Board Notification, and Matrix for March 2, 2016, Board Agenda Items.

CONTACT:

David Christiansen, Ed.D., Deputy Superintendent/Chief of Schools (david.christiansen@palmbeachschools.org)
 Keith Oswald, Chief Academic Officer
 Joseph M. Lee, Ed.D., Assistant Superintendent
 James T. Pegg, Director

FINANCIAL IMPACT:

There is no financial impact to the District

SCHOOL BOARD GOALS: (Check all that apply.)

- 1. Student First Philosophy
- 2. Family Matters
- 3. Qualified and Highly Effective Workforce
- 4. Efficiency and Accountability
- 5. Community Engagement
- 6. Communication

G-Sota - Contract.pdf (7,754 KB) G-Sota - Annual Review.pdf (3,134 KB)

G-Sota - Program Renewal Review.pdf (2,803 KB) G-Sota - PYG Data.pdf (211 KB)

G-Sota - Board Notification - 02-25-16.pdf (371 KB) CS Agenda Item MATRIX - March 2, 2016.pdf (85 KB)

Q&A CS1-6.1.pdf (409 KB)



Wednesday, March 2, 2016

3. SPECIAL MEETING immediately following Workshop in the Board Room

This meeting is open to the public.

1. Call To Order

Chairman Opens Meeting - Board Clerk Takes Attendance

2. Chairman Adds Items for Good Cause

Items Added: AD2

3. Superintendent Withdraws Items

Items Withdrawn:

4. Board Pulls Items from Consent Agenda

Items Pulled: AD1; POL-A2

5. Review and Approve Agenda

AGENDA APPROVAL

6. Disclosures and Abstentions

Disclosures & Abstentions

7. Superintendent and Board Comments (3 minutes each)

Superintendent

Board Members

8. Speakers: Agenda Topics

Agenda Topic Speakers

9. Consent Agenda

CS1 Ben Gamla Palm Beach - Proposed Renewal of Charter Contract

CS2 Mavericks High School at Palm Springs - Proposed Renewal of Charter Contract

CS3 Potentials Charter School - Proposed Renewal of Charter Contract

CS4 Florida High School for Accelerated Learning WPB d/b/a Quantum High School - Proposed Renewal of Charter Contract

* CS6 Gardens School of Technology Arts - Proposed Renewal of Charter Contract *

P1 Personnel Agenda

POL-O2 Policy 2.50 Third Party Use of Technology - Develop

POL-O3 Policy 3.29 Acceptable Use of Technology by Employees - Develop

PS1 Personnel Disciplinary Action - Melissa Brown

PS2 Personnel Disciplinary Action - Natalie Lewis

10. Approve Consent Agenda

CONSENT AGENDA APPROVAL

11. New Business

AD1 Approval of the School District Strategic Plan

AD2 Sales Surtax Referendum

BRD1 General Counsel's Annual Evaluation

CS5 Florida High School for Accelerated Learning WPB d/b/a Worthington High School - Proposed Renewal of Charter Contract

POL-A2 Policy 8.13 Dropout Prevention/Alternative Education/Juvenile Justice/Youth Services Programs - Adopt

12. ADJOURN

END TIME

3. SPECIAL MEETING immediately following Workshop in the Board Room (Wednesday, March 2, 2016)

Generated by Carol Bass on Tuesday, April 5, 2016

Members present

Marcia Andrews, Frank Barbieri, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

Meeting called to order at 5:05 p.m.

1. Call To Order

Chairman opens meeting. Board Clerk takes attendance. Pledge to the Flag.

2. Chairman Adds Items for Good Cause

Item Added: AD2 Sales Surtax Referendum

3. Superintendent Withdraws Items - NONE

4. Board Pulls Items from Consent Agenda

The Board pulled the following items from the Consent Agenda and moved them to New Business:

AD1 Approval of the School District Strategic Plan

CS5 Florida High School for Accelerated Learning WPB d/b/a Worthington High School - Proposed Renewal of Charter Contract

POL-A2 Policy 8.13 Dropout Prevention/Alternative Education/Juvenile Justice/Youth Services Programs

5. Review and Approve Agenda

Motion to approve the Agenda as submitted or amended.

Motion by Michael Murgio, second by Debra Robinson

Final Resolution: Motion passes

Yea: Marcia Andrews, Frank Barbieri, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

6. Disclosures and Abstentions - NONE

7. Superintendent and Board Comments (3 minutes each) - NONE

8. Speakers: Agenda Topics

Andy Goldstein; Lauren Hollander; Lynn Norman-Teck



9. Consent Agenda

CS1 Ben Gamla Palm Beach - Proposed Renewal of Charter Contract

CS2 Mavericks High School at Palm Springs - Proposed Renewal of Charter Contract

CS3 Potentials Charter School - Proposed Renewal of Charter Contract

CS4 Florida High School for Accelerated Learning WPB d/b/a Quantum High School - Proposed Renewal of Charter Contract

CS6 Gardens School of Technology Arts - Proposed Renewal of Charter Contract

P1 Personnel Agenda

POL-O2 Policy 2.50 Third Party Use of Technology - Develop

POL-O3 Policy 3.29 Acceptable Use of Technology by Employees - Develop

PS1 Personnel Disciplinary Action - Melissa Brown

PS2 Personnel Disciplinary Action - Natalie Lewis

10. Approve Consent Agenda

Motion to approve the Consent Agenda as amended.

Motion by Marcia Andrews, second by Debra Robinson

Final Resolution: Motion passes

Yea: Marcia Andrews, Frank Barbieri, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

11. New Business

AD1 Approval of the School District Strategic Plan

I recommend the Board approve the District Strategic Plan for 2016-2021 as outlined.

Motion by Michael Murgio, second by Marcia Andrews

FIRST AMENDED MOTION

MOTION to change Strategic Initiative attached to Strategic Theme 1 to read "expand and enhance PreKindergarten programs and services in collaboration with our community and agency partners.

Motion by Debra Robinson, second by Marcia Andrews

Final Resolution: Motion passes

Yea: Marcia Andrews, Frank Barbieri, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

SECOND AMENDED MOTION

MOTION to strike the words "develop the capacity to" in the last bullet of Strategic Initiative associated with Strategic Theme 1 so that we do not just develop the capacity, but also deliver the effective instruction.

Motion by Debra Robinson. Motion fails for lack of a second.

THIRD AMENDED MOTION

MOTION on item that reads Develop an approach for bullying prevention. Alter it to read, "Develop and implement a comprehensive plan for bullying prevention and intervention.

Motion by Debra Robinson, second by Frank Barbieri

Final Resolution: Motion fails

Yea: Debra Robinson

Nay: Marcia Andrews, Frank Barbieri, Karen Brill, Michael Murgio, Chuck Shaw, Erica Whitfield

MAIN MOTION AS AMENDED

Final Resolution: Motion passes

Yea: Marcia Andrews, Frank Barbieri, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

AD2 Sales Surtax Referendum

I recommend the Board further discuss options and take any action necessary regarding the proposed Sales Surtax Referendum.

MOTION to continue working with Palm Beach County Administrator, Ms. Verdenia Baker; put a time certain of April 15, 2016 for a decision by the County so this Board can act by April 20, 2016; if no answer by April 15, 2016, the Superintendent should bring back ballot language for the School Board and District to move forward on our own.

Motion by Mike Murgio, second by Frank Barbieri

Dr. Robinson offers a "friendly" **SUBSTITUTE MOTION**:

MOTION to have Palm Beach County School District join with Palm Beach County, the cities, and Cultural Council in a one penny sales surtax referendum with the School District of Palm Beach County receiving 48 percent of the proceeds. This motion will automatically revoke itself if the County does not agree and vote by April 15.

Motion by Debra Robinson, second by Frank Barbieri

AMENDED SUBSTITUTE MOTION

MOTION to have Palm Beach County School District join with Palm Beach County, the cities, and Cultural Council in a one cent sales surtax referendum with the School District of Palm Beach County receiving at least 48 percent of the revenues contingent upon Palm Beach County voting in favor of the same by April 15, 2016.

Motion by Debra Robinson, second by Marcia Andrews

Final Resolution: Motion passes

Yea: Marcia Andrews, Frank Barbieri, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

Nay: Karen Brill

MOTION TO RECONSIDER FINAL VOTE ON AD2 SALES SURTAX REFERENDUM

Motion by Erica Whitfield, second by Marcia Andrews

Final Resolution: Motion passes

Yea: Marcia Andrews, Frank Barbieri, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

REVOTE on AMENDED SUBSTITUTE MOTION as stated earlier:

MOTION to have Palm Beach County School District join with Palm Beach County, the cities, and Cultural Council in a one cent sales surtax referendum with the School District of Palm Beach County receiving at least 48 percent of the revenues contingent upon Palm Beach County voting in favor of the same by April 15, 2016.

Motion by Debra Robinson, second by Marcia Andrews

Final Resolution: Motion passes

Yea: Marcia Andrews, Frank Barbieri, Debra Robinson, Chuck Shaw, Erica Whitfield

Nay: Karen Brill, Michael Murgio

BRD1 General Counsel's Annual Evaluation

General Counsel JulieAnn Rico gave a presentation on the responsibilities of Office of General Counsel.

Overall rating: 4.6 = Excellent

I recommend the Board accept and approve the General Counsel's evaluation.

Motion by Michael Murgio, second by Frank Barbieri.

Final Resolution: Motion passes

Yea: Marcia Andrews, Frank Barbieri, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

FOR THE RECORD: Frank Barbieri left at 6:54 p.m.

CS5 Florida High School for Accelerated Learning WPB d/b/a Worthington High School - Proposed Renewal of Charter Contract

I recommend the Board approve the Charter Renewal for Worthington High School, and authorize the Superintendent and/or his designee to sign all related contracts and documents.

Motion by Marcia Andrews, second by Debra Robinson

Final Resolution: Motion passes

Yea: Marcia Andrews, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

Not Present at Vote: Frank Barbieri

POL-A2 Policy 8.13 Dropout Prevention/Alternative Education/Juvenile Justice/Youth Services Programs - Adopt

I recommend the Board approve the adoption of proposed revised Policy 8.13 Dropout Prevention/Alternative Education/Juvenile Justice/Youth Services Programs.

Motion by Debra Robinson, second by Marcia Andrews

Debate follows.

FIRST AMENDED MOTION

MOTION to add a flow chart to policies.

Motion by Debra Robinson, second by Marcia Andrews

Final Resolution: Motion Passes

Yea: Marcia Andrews, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

Not Present at Vote: Frank Barbieri

MAIN MOTION AS AMENDED

Final Resolution: Motion Passes

Yea: Marcia Andrews, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

Not Present at Vote: Frank Barbieri

12. ADJOURN

END TIME: 7:04 p.m.

Motion to adjourn the meeting.

Motion by Marcia Andrews, second by Erica Whitfield.

Final Resolution: Motion Passes

Yea: Marcia Andrews, Karen Brill, Michael Murgio, Debra Robinson, Chuck Shaw, Erica Whitfield

Not Present at Vote: Frank Barbieri

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 9

Letter Dated: September 16, 2016

To: Denise Sagerholm

From: Kathleen W. Schoenberg, P.A.

Re: Gardens School of Technology Arts
(GSOTA)

Law Offices
Kathleen W. Schoenberg, P.A.
14545 J Military Trail
#226
Delray Beach, FL 33484

Telephone: (561) 350-3343
Fax: (561) 431-5731
E-mail: kathleen@kwspa.com

September 16, 2016

Via Electronic Mail

A. Denise Sagerholm, Esquire
School District of Palm Beach County
Office of Chief Counsel
P.O. Box 19239
West Palm Beach, FL 33416

Re: Gardens School of Technology Arts (GSOTA)

Dear Ms. Sagerholm,

You state in your September 15, 2016 correspondence that the Palm Beach County School District (District) intends to "proceed accordingly" due to the fact that GSOTA has entered into a 15-year lease. Your assertions that GSOTA concealed the current lease from the District are untrue. We will restate the facts and timeline involving the school's lease, all of which GSOTA previously communicated both in writing and in our meeting on Monday, September 12, 2016.

The language of the current charter places no prohibition on my client's ability to negotiate a lease with its landlord. As described in more detail in my letter dated August 15, 2016, the charter language you cite was intended to ensure that the school had a plan in place for an adequate facility during the term of the charter. The school ensured this would happen – they previously executed a five-year lease which expired June 30, 2016.

My client appreciates your review of their board minutes from the March 14, 2016 board meeting as they validate what we previously discussed. The board discussed the receipt of proposed lease terms from its landlord, given that the school's lease was due to expire on June 30, 2016. This meeting was after the school was approved for renewal by the District. At this meeting board member David Reyes was granted authority to finalize a lease within parameters established by the board.

Shortly thereafter, representatives from GSOTA and the District met on April 14, 2016 to begin negotiation of the renewal charter. At that meeting my client requested a 15-year charter term. During that conversation GSOTA discussed that a 15-year term would facilitate the landlord's efforts to secure financing to expand the school's facilities to accommodate growth. At no time during that meeting did any District representatives state that a 15-year lease would put GSOTA out of compliance. On the contrary, it was implied that a 15-year lease would be necessary as a basis for the request. You advised my client to submit its basis for the request for a 15-year term in writing.

Following that meeting and prior to April 27, 2016 (the date of the lease execution), a letter in support of the 15-year charter term was drafted. At the time of the first draft of the letter the lease had not been executed; hence, the letter states that the school was in the process of negotiations. The letter was finalized and executed by Debra Moore, GSOTA board president on May 9, 2016. At the time she sent the letter she was not aware that the lease had actually been executed as board members refrain from

A. Denise Sagerholm, Esq.
September 16, 2016
Page two

discussions outside of board meetings. As a review of the May 9, 2016 GSOTA board minutes reflects, there was no discussion of the lease at that meeting. This is important because your letter states that "GSOTA has not been transparent with the District regarding the new Lease Agreement." The fact that Ms. Moore's letter indicates an intent to sign a lease was not an act of concealment, only a matter of timing.

Your letter lists the dates that the parties met during the course of the renewal charter negotiation. You question why GSOTA never mentioned the lease during any of these meetings. The question to be asked is - why *would* the school bring up the lease? The parties' discussions focused on the renewal charter contract, and in almost every meeting GSOTA asked for a response to its request for a 15-year charter term. Ms. Moore's May 9, 2016 letter explicitly states the anticipated term of the lease. The lease was also uploaded to the District's Charter Tools system on July 19, 2016 as part of GSOTA's school opening checklist. Certainly, both a letter describing the lease terms and a full copy of the lease being uploaded to the District's system would be considered ample notification by any reasonable standard.

The more relevant question is why, in all of those meetings, did the District wait until August 11, 2016 to provide notice of any concern about the term of the lease, despite receiving written notice on May 9, 2016 of the school's intent to enter into a 15-year term?

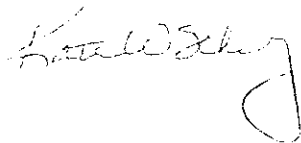
My client provided written notice of the 15-year lease term on May 9, 2016 and the first time the District brought this up as an issue was August 11, 2016. In fact, as of the date of this letter, the school has received *no* response to its request for a 15-year term. Consequently, GSOTA had no reason to believe it wouldn't be granted a 15-year charter term.

The District's issue with GSOTA's lease focuses on the date of execution. It is important to note that even if the lease had been executed after May 9, 2016, under the District's own reasoning it would not have made a difference. The District never notified GSOTA that it believed the school to be out of compliance until August 11, 2016, despite the May 9, 2016 notice of the school's intent for the long-term lease.

Finally, throughout our discussions and correspondence on this matter, GSOTA fails to see why the school district views GSOTA's lease execution as an act which rises to the level of threatened charter termination. The current charter does not prohibit GSOTA from executing a lease. The school district is neither a party to the lease nor a guarantor. There is no obligation under Florida law that would require the District to assume any obligations under the lease. If the school is unable to fulfill its obligations under the lease, it is a risk assumed by the landlord, not the District.

GSOTA requests written notification from the District that it is in compliance with its charter, and GSOTA requests that the District continue negotiations of its renewal charter contract in good faith.

Sincerely,



Kathleen W. Schoenberg, Esq.

cc: Gardens School of Technology Arts

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 10

Email Correspondence Dated:

January 25 – 26, 2016

To: Director Jeanne Benz

GSOTA

From: Angelette Green

Re: Initial Site Visit: 15 Year Lease
Agreement & School Expansion



Angelette Green <angelette.green@palmbeachschools.org>

Initial Site Visit Request/Update

Jeanne Benz <Jeanne.Benz@mysota.net>

Thu, Jan 26, 2017 at 6:37 AM

To: Angelette Green <angelette.green@palmbeachschools.org>

Cc: Debra Moore <Debra.Moore@mysota.net>, Elizabeth McBride <elizabeth.mcbride@palmbeachschools.org>, Garry O'Donnell <Garry.ODonnell@gmlaw.com>

Hello Ms. Green,

It was a pleasure meeting with you and Mrs. Seymour Tuesday and I thank you both for your gracious professionalism during the interview.

The responses are in-text below in green (I will need clarification of question 1 to properly respond):

On Wed, Jan 25, 2017 at 1:57 PM, Angelette Green <angelette.green@palmbeachschools.org> wrote:

Good Afternoon Mrs. Benz

First of all, thank you for being so accommodating during our visit on yesterday.

In regards

to the document you provided to the OIG during our site visit on December 8,

2016 (see attached). I have a few follow-up questions related to the School Expansion.

According to

the document "*Construction has been **delayed** due to the protracted charter renewal process and the requirement of*

a signed charter contract to enable the landlord to secure necessary financing for project completion"...

Questions:

1. Is the expansion for the additional

classrooms contingent upon GSOTA entering into a 15 year lease agreement with

the School Board?

I would like to clarify... is the question whether the classrooms are contingent upon a 15 year lease with the landlord or upon a 15 year charter agreement with the School Board?

2. Why did GSOTA enter into a 15 year

rental agreement with the Landlord versus a 5 or 10 year rental agreement?

It is a prudent business practice for a charter school to enter into a long-term lease because it secures the site for future operations. In addition, the school intended to seek a 15 year charter renewal. This was discussed with representatives of the School Board at a meeting on April 14, 2016 (prior to the lease execution), and at that time there was no

indication that the school wouldn't qualify for a 15-year charter.

3. Why did GSOTA enter into a 15 year

lease agreement with the Landlord without prior notification to the School Board.

The school's charter, Florida law, and applicable regulations do not require prior notification; also it is neither standard practice nor industry custom for a charter school to provide notice to a school board prior to executing a lease. In short, there is no reason why GSOTA

would have notified the School Board prior to entering into a lease. Importantly, the fact that the school was in the process of negotiating a 15-year lease was specifically discussed with School Board representatives during a meeting on April 14, 2016.

Attached is a letter providing further information on this issue.

Again, Mrs. Benz, the Office of Inspector General appreciates

your continued corporation during this investigation.

—
Angelette Green, MPA, PHR

Director of Investigations
Office of Inspector General
3138 Forest Hill Blvd., Suite C-306
West Palm Beach, FL 33406

[561-434-8183](tel:561-434-8183)

Disclaimer: Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

—
Jeanne Benz

Director of Operations

Gardens School of Technology Arts

9153 Roan Lane, PBG FL 33403

www.mysota.net

[561.290.7661](tel:561.290.7661)

[Quoted text hidden]



Letter to Attorney Sagerholm lease compliance 9-16-16.pdf

31K

Law Offices
Kathleen W. Schoenberg, P.A.
14545 J Military Trail
#226
Delray Beach, FL 33484

Telephone: (561) 350-3343
Fax: (561) 431-5731
E-mail: kathleen@kwspa.com

September 16, 2016

Via Electronic Mail

A. Denise Sagerholm, Esquire
School District of Palm Beach County
Office of Chief Counsel
P.O. Box 19239
West Palm Beach, FL 33416

Re: Gardens School of Technology Arts (GSOTA)

Dear Ms. Sagerholm,

You state in your September 15, 2016 correspondence that the Palm Beach County School District (District) intends to "proceed accordingly" due to the fact that GSOTA has entered into a 15-year lease. Your assertions that GSOTA concealed the current lease from the District are untrue. We will restate the facts and timeline involving the school's lease, all of which GSOTA previously communicated both in writing and in our meeting on Monday, September 12, 2016.

The language of the current charter places no prohibition on my client's ability to negotiate a lease with its landlord. As described in more detail in my letter dated August 15, 2016, the charter language you cite was intended to ensure that the school had a plan in place for an adequate facility during the term of the charter. The school ensured this would happen – they previously executed a five-year lease which expired June 30, 2016.

My client appreciates your review of their board minutes from the March 14, 2016 board meeting as they validate what we previously discussed. The board discussed the receipt of proposed lease terms from its landlord, given that the school's lease was due to expire on June 30, 2016. This meeting was after the school was approved for renewal by the District. At this meeting board member David Reyes was granted authority to finalize a lease within parameters established by the board.

Shortly thereafter, representatives from GSOTA and the District met on April 14, 2016 to begin negotiation of the renewal charter. At that meeting my client requested a 15-year charter term. During that conversation GSOTA discussed that a 15-year term would facilitate the landlord's efforts to secure financing to expand the school's facilities to accommodate growth. At no time during that meeting did any District representatives state that a 15-year lease would put GSOTA out of compliance. On the contrary, it was implied that a 15-year lease would be necessary as a basis for the request. You advised my client to submit its basis for the request for a 15-year term in writing.

Following that meeting and prior to April 27, 2016 (the date of the lease execution), a letter in support of the 15-year charter term was drafted. At the time of the first draft of the letter the lease had not been executed; hence, the letter states that the school was in the process of negotiations. The letter was finalized and executed by Debra Moore, GSOTA board president on May 9, 2016. At the time she sent the letter she was not aware that the lease had actually been executed as board members refrain from

A. Denise Sagerholm, Esq.
September 16, 2016
Page two

discussions outside of board meetings. As a review of the May 9, 2016 GSOTA board minutes reflects, there was no discussion of the lease at that meeting. This is important because your letter states that "GSOTA has not been transparent with the District regarding the new Lease Agreement." The fact that Ms. Moore's letter indicates an intent to sign a lease was not an act of concealment, only a matter of timing.

Your letter lists the dates that the parties met during the course of the renewal charter negotiation. You question why GSOTA never mentioned the lease during any of these meetings. The question to be asked is - why *would* the school bring up the lease? The parties' discussions focused on the renewal charter contract, and in almost every meeting GSOTA asked for a response to its request for a 15-year charter term. Ms. Moore's May 9, 2016 letter explicitly states the anticipated term of the lease. The lease was also uploaded to the District's Charter Tools system on July 19, 2016 as part of GSOTA's school opening checklist. Certainly, both a letter describing the lease terms and a full copy of the lease being uploaded to the District's system would be considered ample notification by any reasonable standard.

The more relevant question is why, in all of those meetings, did the District wait until August 11, 2016 to provide notice of any concern about the term of the lease, despite receiving written notice on May 9, 2016 of the school's intent to enter into a 15-year term?

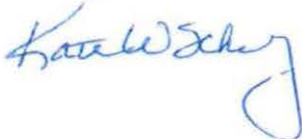
My client provided written notice of the 15-year lease term on May 9, 2016 and the first time the District brought this up as an issue was August 11, 2016. In fact, as of the date of this letter, the school has received *no* response to its request for a 15-year term. Consequently, GSOTA had no reason to believe it wouldn't be granted a 15-year charter term.

The District's issue with GSOTA's lease focuses on the date of execution. It is important to note that even if the lease had been executed after May 9, 2016, under the District's own reasoning it would not have made a difference. The District never notified GSOTA that it believed the school to be out of compliance until August 11, 2016, despite the May 9, 2016 notice of the school's intent for the long-term lease.

Finally, throughout our discussions and correspondence on this matter, GSOTA fails to see why the school district views GSOTA's lease execution as an act which rises to the level of threatened charter termination. The current charter does not prohibit GSOTA from executing a lease. The school district is neither a party to the lease nor a guarantor. There is no obligation under Florida law that would require the District to assume any obligations under the lease. If the school is unable to fulfill its obligations under the lease, it is a risk assumed by the landlord, not the District.

GSOTA requests written notification from the District that it is in compliance with its charter, and GSOTA requests that the District continue negotiations of its renewal charter contract in good faith.

Sincerely,



Kathleen W. Schoenberg, Esq.

cc: Gardens School of Technology Arts



Angelette Green <angelette.green@palmbeachschools.org>

Initial Site Visit Request/Update

Angelette Green <angelette.green@palmbeachschools.org>

Thu, Jan 26, 2017 at 9:59 AM

To: Jeanne Benz <Jeanne.Benz@mysota.net>

Cc: Debra Moore <Debra.Moore@mysota.net>, Elizabeth McBride <elizabeth.mcbride@palmbeachschools.org>, Garry O'Donnell <Gary.ODonnell@gmlaw.com>

Good morning Mrs. Benz

Thank you for the quick response. To clarify question#1– Is the school expansion contingent upon a 15 year charter with the School Board?

Thanks

Angelette

[Quoted text hidden]



Angelette Green <angelette.green@palmbeachschools.org>

Initial Site Visit Request/Update

Jeanne Benz <Jeanne.Benz@mysota.net>

Thu, Jan 26, 2017 at 7:55 PM

To: Angelette Green <angelette.green@palmbeachschools.org>

Cc: Debra Moore <Debra.Moore@mysota.net>, Elizabeth McBride <elizabeth.mcbride@palmbeachschools.org>, Garry O'Donnell <Garry.ODonnell@gmlaw.com>

Hello Ms. Green,

My apologies for the delay, we have been at the FETC conference in Orlando all day.

Thank you for clarifying the question. The GSOTA expansion project necessitates that long-term financing be secured by the landlord, and a 15 year charter provides the best security for justifying this investment in the property.

[Quoted text hidden]

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 11

Letter Dated: September 15, 2016

To: Kathleen W. Schoenberg

From: Denise Sagerholm

Re: GSOTA – 3rd Written Notice of Non-
Compliance Lease Agreement



THE SCHOOL BOARD OF
PALM BEACH COUNTY, FLORIDA
3300 FOREST HILL BOULEVARD, C-331
WEST PALM BEACH, FL 33408-5869

PH: 561-434-8500 FX: 561-434-8105

JULIEANN RICO, ESQ.
GENERAL COUNSEL

CHUCK SHAW
CHAIRMAN

FRANK A. BARBIERI, JR., ESQ.
VICE CHAIRMAN

MARCIA ANDREWS
KAREN M. BRILL
DEBRA L. ROBINSON, M.D.
ERICA WHITFIELD

September 15, 2016

*Via Email: kathleen@kwspa.com & U.S. Mail

Law Offices of Kathleen W. Schoenberg, P.A.
14545 J Military Trail, # 226
Delray Beach, Florida 33484

Re: Gardens School of Technology Arts ("GSOTA")-3rd **Written Notice of Non-Compliance-
Lease Agreement**

Dear Ms. Schoenberg:

We are in receipt of your correspondence dated September 12, 2016 as it pertains to the conference call held on that same date regarding the Written Notice of Non-Compliance of the Charter School Contract as it relates to the new Lease Agreement that was executed on April 27, 2016 between Gardens School of Technology Arts ("GSOTA") and Covenant International, Inc. ("Covenant Church").

Regarding this new Lease Agreement, we have repeatedly informed both you and your client that the **term** of any Lease Agreement under the current Charter School Contract **shall mirror the term** of the Charter School Contract. This is the same provision that we have in all of our existing charter school contracts and it clearly requires the term of any lease agreement to match the term of the charter based on the simple fact that a public charter school is only in existence based on the "term" of its current charter school contract. There is no ambiguity regarding this clear provision even though it appears that your client chose to ignore it when they **prematurely entered into a 15 year term Lease Agreement with Covenant Church on April 27, 2016.**

As we have also informed you and your client, we were not aware of this new Lease Agreement and its **non-compliant 15 year term** until three (3) months after it had been executed by your client. This is despite the fact that we held numerous charter renewal negotiations beginning on **April 14, 2016 through July 26, 2016.**

In fact, we even had negotiations on **April 27, 2016**, the day the lease was executed by GSOTA's Vice President, David Reyes; again on **May 2, 2016**; again on **June 9, 2016**; and even on **July 19, 2016**, the same day that GSOTA's Director of Operations, Jeanne Benz uploaded the new Lease Agreement on Charter Tools.

Regarding the Amendment that was just entered between the parties on September 7, 2016 to suspend renewal negotiations until the conclusion and/or completion of the IG investigation of GSOTA, the District intends to comply with the Amendment at this time and under these circumstances.

Sincerely,



A. Denise Sagerholm, Esq.
Assistant General Counsel

ADS/lf

Cc: JulieAnn Rico, Esq., General Counsel
David Christiansen, Deputy Superintendent, Chief of Schools
Mark Howard, Chief, Performance Accountability
Jim Pegg, Director of Department of Charter Schools
Bruce A. Harris, Esq., Assistant General Counsel
Sean C. Fahey, Esq., Associate Attorney

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 12

Agreement between GSOTA and Accellearn,
LLC o/a Green Mouse Academy

**AGREEMENT
BETWEEN**

Gardens School of Technology Arts, Inc.

AND

Accellearn, LLC., o/a Green Mouse Academy.

This Agreement is made this 1st, day of July, 2014 between Gardens School of Technology Arts, Inc. (hereinafter referred to as "GSOTA") with offices at 9153 Roan Lane, Palm Beach Gardens, FL, 33403 and Accellearn, LLC., o/a Green Mouse Academy., (hereinafter known as "Consultant") with offices at 9153 Roan Lane, Palm Beach Gardens, FL 33403.

WITNESSETH:

WHEREAS, GSOTA desires to engage and retain the services of the Consultant and the Consultant desires to accept such engagement.

NOW THEREFORE, in consideration of the foregoing and mutual promises, covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Statement of Work

The Statement of Work for this project is referenced and incorporated as Appendix A. The statement of work may be amended by mutual written agreement of the Governing Board of GSOTA (hereinafter, the "Board") and the Consultant.

2. Term

The term of the Agreement shall begin on July 1st, 2014 and shall end on June, 30th, 2015. Consultant shall perform the services referenced in the Statement of Work above. The term may be extended or amended by mutual written agreement of the parties.

3. Compensation

As compensation in full for all services to be performed by the Consultant pursuant to this Agreement, GSOTA shall pay the Consultant a total of \$35,000 in accordance with the following payment schedule, which is aligned with the Consultant's standard Rate Schedule (attached Appendix B).

- A. Consultant shall submit an invoice to GSOTA by or before the 10th day of each month following the month in which the services were provided reflecting actual costs.
- B. The maximum compensation under this Agreement shall be \$35,000 (the "Contract Amount") reflecting a monthly amount of \$2,500 in accordance with the established budget and a final payment on June 30th for any remaining balance.
- C. The maximum amount of this Agreement may only be increased by mutual written agreement of the parties.
- D. Payment will be made by GSOTA, Inc. within 10 days after receipt of Consultant's invoice. Consultant's invoice should follow the payment scheduled listed under paragraph 3A.
- E. Agreement Contract Amount is not inclusive of additional costs, which may include, but may not be limited to travel, lodging, meals, memberships, document preparation and fees.
- F. Reimbursement for additional costs incurred by the Consultant must be submitted on reimbursement forms with rates to be determined by the Board in accordance with budget authorized by the Board.
- G. Consultant shall submit to the Board (or Board's designee) any documentation necessary to substantiate the full and satisfactory performance of the services for which payment is requested. The Board Member (or Designee) who will verify the services have been performed and approve the invoice and expense reimbursement form(s) is:

Debra K. Moore, Board President

4. Confidentiality

GSOTA and the Consultant acknowledge and agree that if during the term of this Agreement confidential information is disclosed by one party to the other, each party shall hold all such confidential information in the strictest confidence as a fiduciary and shall not voluntarily sell, transfer, publish, disclose, display or otherwise make available to any third persons such confidential information or any portion thereof without the express written consent of the other party. GSOTA and the Consultant shall each use their best efforts to protect the confidentiality of all such information consistent with the manner in which they protect their most confidential business information.

5. Privacy and Protection of Student Records

The Consultant is subject to all Board obligations relating to compliance with student records, confidentiality laws. By signing this Agreement, the Consultant acknowledges and agrees to comply with the Family Educational Rights and Privacy Act (FERPA) and all state and federal laws relating to the confidentiality of student records.

6. Independent Consultant

The Consultant is, for all purposes arising under this Agreement, an independent contractor, and nothing herein shall create any association, partnership or joint venture between the parties hereto or any employer-employee relationships. Neither the Consultant nor Board, nor any officer, agent or employee thereof, shall be entitled to any benefits to which employees of the other party are entitled, including, but not limited to, overtime, retirement benefits, workers compensation benefits, injury leave, or other leave benefits.

7. Ownership

The Consultant shall have unrestricted authority to publish, disclose, distribute and otherwise use, copyright or patent any such materials produced by the Consultant under this Agreement, except for such information deemed to be protected by confidentiality of student records.

8. Termination

Either party may terminate this Agreement with or without cause provided that sixty (60) days prior notice is given to the other party.

GSOTA may terminate this Agreement by written notice to the Consultant if the Consultant fails to perform or defaults in any manner in the performance of this Agreement in strict accordance with its terms or fails to cure any breach after receiving a "Show Cause Notice" identifying the failure and providing the Consultant ten days to cure the failure or nonperformance. In the event of such termination, the Consultant agrees to cease immediately all work and GSOTA shall return GMA products to Consultant. GSOTA shall have no liability to the Consultant in the event of termination hereunder except to pay the Consultant for services rendered prior to the effective date of termination for default, and to pay Consultant for reimbursable, non-cancelable expenses incurred by Consultant in connection with the work contemplated herein prior to the effective date of termination; such payment to be determined at time of termination. The rights and remedies of GSOTA provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

9. Liability/Indemnification

Subject to the foregoing provisions, the Consultant agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Board, its officers, directors, employees and agents from and against any liabilities, damages and costs (including reasonable attorneys fees and costs of defense) arising out of the death, bodily injury, disease or sickness to any person or the destruction or damage to any tangible property including the loss of use resulting therefrom, to the extent caused,

during the performance of Services under this Agreement, by the negligent acts, errors or omissions of the Consultant or anyone for whom the Consultant is legally responsible, subject to any limitations of liability contained in this Agreement. The Board agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Consultant, its officers, directors, employees and agents from any liabilities, damages and costs (including reasonable attorneys fees and costs of defense) to the extent caused by the negligent acts, errors or omissions of the Board, the Board's contractors, consultants or anyone for whom Board is legally responsible.

10. Assignment

This Agreement shall not be assigned by either party without express written mutual agreement between the Consultant and GSOTA.

11. Entire Agreement

This Agreement constitutes the sole agreement between the parties hereto and no Amendment, modification or waiver of any of the terms and conditions hereof shall be valid unless in writing. Any prior oral or written agreements shall not be considered a part of this Agreement.

12. Governing Law and Venue

This Agreement shall be construed in accordance with the laws of the State of Florida. Any dispute with respect to this Agreement is subject to the laws of Florida, venue in Palm Beach County, Florida.

13. Commercial Nondiscrimination

Consultant shall not discriminate on the basis of race, gender, religion, national origin, ethnicity, sexual orientation, age or disability in the solicitation, selection, hiring, or treatment of sub-consultants, vendors, suppliers, or commercial customers. Consultant shall provide equal opportunity for sub-consultants to participate in all of its public sector and private sector sub-consulting opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that has occurred or is occurring in the marketplace.

14. Notices

All notices given or required hereunder shall be deemed sufficient if sent by United States mail, postage prepaid, to the addresses of the Consultant or to GSOTA specified in this Agreement, unless either party hereto shall specify to the other party a different address for the giving of such notices.

15. Contracting Officer Representative

For the purposes of this Agreement, the Contracting Representatives are as follows:

For: Consultant

Shane Vander Kooi
Director
Accellearn, LLC.
9153 Roan Lane
Palm Beach Gardens, FL 33403

For: Gardens School of Technology Arts, Inc.

Debra K. Moore
President, Governing Board
Gardens School of Technology Arts, Inc
9153 Roan Lane
Palm Beach Gardens, FL 33403

16. Signatory Authority

The officials executing this Agreement warrant and represent that they are authorized by their Respective entity to enter in a binding agreement.

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized officers, have executed this agreement as of the date first above written.

Accellearn, LLC o/a Green Mouse Academy

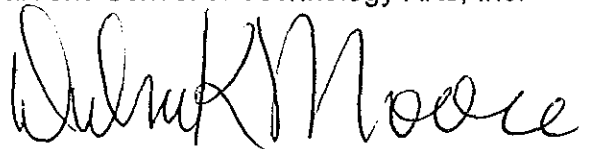
By



Shane Vander Kooi
Director

Gardens School of Technology Arts, Inc.

By:



Debra K. Moore,
President
Governing Board
Gardens School of Technology Arts, Inc

APPENDIX A

STATEMENT OF WORK

The purpose of this Agreement is to outline the expectations of the Consultant's role in: conducting ongoing, informal analysis of the edtech landscape, identifying the most promising programs resources, tools, practices, programs and strategic partnership opportunities that fit with the school's mission, and then guiding and assisting the school's faculty and staff in implementing them.

This work will specifically include:

- Licensing the school to use all GMA created/distributed technology arts programming (to be detailed in a future license agreement-under review)
- Providing the school's teachers and staff with scheduled, mutually agreed upon program delivery training in GMA programming
- Providing ongoing support to the school's Technology Coordinator (online, ticketed help desk and/or on-site support)
- Providing the software, hardware and other resources required to operate GMA programming (excluding computer hardware, Internet access, etc.)
- Directly providing and delivering at least 1 specialized technology arts club each quarter (which may have a limited or restricted enrollment)
- As a result of ongoing R&D, continuing to share advice, recommendations and strategic guidance around innovative practices, tools, resources and activities specific to the unique focus area and mission of the school (i.e. technology arts, 21st century skill building, project-based learning, innovative instruction)
- Developing and sharing program descriptions, marketing materials, images, templates, activity samples, press releases, blog articles, training materials, videos specific to GMA's technology arts programs the school may utilize for its own purposes (subject to the terms of a future license agreement)
- Upon request and by mutual agreement, representing the school at meetings, events, conferences, committees, etc.
- Reserving a mutually agreed upon amount of time per month for Shane Vander Kooi to provide consultative services to the Board and the admin team

Objectives

To ensure that all GSOTA students experience technology arts programming within the school day throughout the whole year

To ensure that select technology arts programming is made available to students within or outside of the school day through enrichment activity options, clubs, electives

To ensure that GSOTA receives the tools to facilitate communications with its stakeholders to promote its technology arts programming supplied by GMA

To ensure GSOTA is offered a steady supply of opportunities to absorb, integrate and test unique edtech products that further promote its competitive edge in line with its mission and charter focus

Outcome Measures

GMA will license and supply each GSOTA class with a technology arts program in each quarter, as confirmed by the school's calendar (see the current technology arts strands offered by GMA).

GMA will directly offer a specialized elective or club in each quarter, as evidenced by a promotional flyer, sign-up form, etc.

GMA will issue a regular blog, press release, newsletter or similar communication no less than monthly highlighting its programs, research and the value of technology arts within the context of promoting the focus area and mission of the school, which the school may reissue, copy or republish.

GMA will supply a written report in advance of each Board meeting outlining any/all GMA R&D activities or consulting activities conducted in support of the school, the admin team, or the Board.

Proposed Timeline for Delivery of Services

Refer to school's quarterly calendar for GMA activities

Other activities to be reported monthly for Board review along with regular Board meetings and other admin reports

Conditions

Consultant agrees to comply with all applicable federal, state and local laws.

Consultant will maintain books, records and documents in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all expenditures of funds provided by GSOTA under this Agreement.

Consultant will report to the Board during the term of this Agreement any threatened or pending litigation brought against the Consultant, including a description of the nature

of the claims involved, and, upon request, to furnish information regarding the status of such litigation and copies of pleadings filed therein.

Consultant shall be responsible for providing general liability insurance coverage and whatever other coverage deemed reasonably necessary by the Board, which insurance shall be maintained at all times during the existence of the Agreement and shall name GSOTA as an "additional insured" there under. Upon request, the Consultant shall furnish the Board with written verification of the existence of such insurance coverage.

The Jessica Lundsford Act: All individuals who are permitted access on school grounds when students are present, individuals who will have direct contact with children or any student of GSOTA, or who will have access to or control of school funds must be fingerprinted and background checked. Consultant agrees to undergo a background check and fingerprinting if he/she is an individual who meets any of the conditions to submit a background check, including fingerprinting by the Palm Beach County School District's Police Department. Consultant shall not begin providing services contemplated by this Agreement until Consultant receives notice of clearance by the School District. The Board, nor its members, officers, employees, or agents, shall not be liable under any legal theory of any kind of claim whatsoever for the rejection of Consultant (or discontinuation of Consultant's services) on the basis of these compliance obligations. Consultant agrees that neither the Consultant, nor any employee, agent or representation of the Consultant who has been convicted or who is currently under investigation for a crime delineated in FS 435.04 will be employed in the performance of this Agreement.

Other conditions that may be applied with our without advance notice pursuant to the obligations and requirements placed on GSOTA under the terms of its Charter Agreement with the School District of Palm Beach County.

APPENDIX B
RATE SCHEDULE

Flat fee rates per session:

\$250/hour (discounted to \$150/hour for multiple, back-to-back sessions)
GMA delivers the programming and provides all required resources
Session is generally 45-90 minute in duration and limited to no more than 24 students

License fee per student:

Fees vary, with lowest license fee considered being \$15 per student, per program
Licensee delivers the program and supplies all the required equipment
Program is defined as being a single technology arts strand/activity (typically a student might be enrolled in 4 programs over the duration of the school year if taking one program per quarter)
Clients may be responsible for an initial license fee, staff training/certification and purchase or licensing of equipment, resources and materials required to deliver the program

Staff Training and Professional Development

Staff training and professional development rates are usually scheduled and contracted on a case-by-case basis
Standard rates are \$750/half day; \$1,000/full day (additional costs for travel and expenses)
Ongoing remote licensee support or preparation and development for GMA-lead programming is always provided at no extra cost

Consulting Fees

The hourly consulting fee rates are specific to Shane Vander Kooi and John C. Smith: \$100/hour. All other GMA staff/contractors: \$50/hour.
Travel time billed at half rates. Expenses billed by reimbursement.

2011 LIMITED LIABILITY COMPANY ANNUAL REPORT

FILED
Apr 04, 2011
Secretary of State

DOCUMENT# L05000034417

Entity Name: ACCELLEARN LLC

Current Principal Place of Business:

378 NORTHLAKE BLVD
257
WEST PALM BEACH, FL 33408

New Principal Place of Business:

Current Mailing Address:

643 - 36 STREET
WEST PALM BEACH, FL 33407

New Mailing Address:

FEI Number: 26-0119000 FEI Number Applied For () FEI Number Not Applicable () Certificate of Status Desired ()

Name and Address of Current Registered Agent:

VANDER KODI, R. SHANE
378 NORTHLAKE BLVD #257
NORTH PALM BEACH, FL 33408 US

Name and Address of New Registered Agent:

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE:

Electronic Signature of Registered Agent

Date

MANAGING MEMBERS/MANAGERS:

Role: MGR
Name: VANDER KOOI, R. SHANE
Address: 645 - 36 ST.
City-St-Zip: WEST PALM BEACH, FL 33407

I hereby certify that the information indicated on this report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 608, Florida Statutes.

SIGNATURE: R SHANE VANDER KOOI

MGR

04/04/2011

Electronic Signature of Signing Managing Member, Manager, or Authorized Representative / Date

STATEMENT OF CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT OR BOTH FOR LIMITED LIABILITY COMPANY

Pursuant to the provisions of sections 608.416 or 608.508, Florida Statutes, the undersigned limited liability company submits the following statement in order to change its registered office or registered agent, or both, in the State of Florida.

1. Name of the limited liability company: ACCELLEARN LLC

2. (a) Principal office address of limited liability company: 643-36 STREET

(Note: MUST BE STREET ADDRESS) WEST PALM BEACH, FL 33407

(b) Mailing address of limited liability company:

(Note: MAY BE POST OFFICE BOX)

04/07/2005
3. Date of filing/registration in Florida

4. Document number: L05000034417

5. (a) Registered Agent and Registered Office shown on the records of the Florida Dept. of State

Registered Agent: R. SHANE VANDER KOOI

Registered Office Address: 643-36 STREET WEST PALM BEACH, FL 33407

(b) Enter name of NEW Registered Agent and/or NEW Registered Office address:

NEW Registered Agent:

NEW Registered Office Address: NEW 378 NORTHLAKE BLVD, #257 (MUST BE FLORIDA STREET ADDRESS) NORTH PALM BEACH, FL 33408

If the limited liability company is not organized under the laws of the State of Florida, it is hereby confirmed that after the change or changes are made, the Florida street address of the registered office and the business office of the registered agent will be identical. Or, in the case of a Florida limited liability company, it is hereby confirmed that the change(s) was/were authorized by an affirmative vote of the members of the limited liability company or as otherwise provided in the articles of organization or the operating agreement of the limited liability company.

Signature of a member or authorized representative of a member

R. SHANE VANDER KOOI

Printed or typed name of signer

I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent as provided for in Chapter 608, F.S. Or, if this document is being filed to merely reflect a change in the registered office address, I hereby confirm that the limited liability company has been notified in writing of this change.

Signature of Registered Agent

Division of Corporations, P.O. Box 6327, Tallahassee, FL 32314 FILING FEE: \$25.00

L05000034417

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

PICK-UP WAIT MAIL

(Business Entity Name)

(Document Number)

Certified Copies : _____ Certificates of Status _____

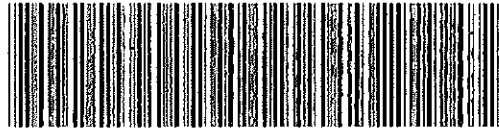
Special Instructions to Filing Officer:

Office Use Only

G. MCLEOD

OCT 30 2009

EXAMINER



200162194852

10/28/09--01016--006 **25.00

FILED
SECRETARY OF STATE
DIVISION OF CORPORATION
OCT 29 PM 2:04

COVER LETTER

TO: Registration Section
Division of Corporations

SUBJECT: ACCELLEARN LLC.
Name of Limited Liability Company

Dear Sir or Madam:

The enclosed Registered Agent/Registered Office Change and fee(s) are submitted for filing.

Please return all correspondence concerning this matter to the following:

R. SHANE VANDER KOOI
Name of Person

ACCELLEARN LLC.
Firm/Company

643-36 STREET
Address

WEST PALM BEACH, FL 33407
City/State and Zip Code

sinaires@hotmail.com
E-mail address: (to be used for future annual report notification)

For further information concerning this matter, please call: 561-630-6549

SHANE VANDER KOOI at (561) 630-6549
Name of Person Area Code & Daytime Telephone Number

STREET/COURIER ADDRESS:
Registration Section
Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, Florida 32301

MAILING ADDRESS:
Registration Section
Division of Corporations
P.O. Box 6327
Tallahassee, Florida 32314

Enclosed is a check for the following amount:

\$25 Filing Fee

\$55 Filing Fee & Certified Copy

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 13

Five K Financial Inc.

Articles of Incorporation

**Electronic Articles of Incorporation
For**

P11000002504
FILED
January 07, 2011
Sec. Of State
bmcknight

FIVE K FINANCIAL INC.

The undersigned incorporator, for the purpose of forming a Florida profit corporation, hereby adopts the following Articles of Incorporation:

Article I

The name of the corporation is:

FIVE K FINANCIAL INC.

Article II

The principal place of business address:

6131 DANIA STREET
JUPITER, FL. US 33458

The mailing address of the corporation is:

6131 DANIA STREET
JUPITER, FL. US 33458

Article III

The purpose for which this corporation is organized is:

ANY AND ALL LAWFUL BUSINESS.

Article IV

The number of shares the corporation is authorized to issue is:

100

Article V

The name and Florida street address of the registered agent is:

KRISTOPHER E BENZ
6131 DANIA STREET
JUPITER, FL. 33458

I certify that I am familiar with and accept the responsibilities of registered agent.

Registered Agent Signature: KRISTOPHER ERIK BENZ

P11000002504
FILED
January 07, 2011
Sec. Of State
bmcknight

Article VI

The name and address of the incorporator is:

KRISTOPHER ERIK BENZ
6131 DANIA STREET

JUPITER FLORIDA 33458

Electronic Signature of Incorporator: KRISTOPHER ERIK BENZ

I am the incorporator submitting these Articles of Incorporation and affirm that the facts stated herein are true. I am aware that false information submitted in a document to the Department of State constitutes a third degree felony as provided for in s.817.155, F.S. I understand the requirement to file an annual report between January 1st and May 1st in the calendar year following formation of this corporation and every year thereafter to maintain "active" status.

Article VII

The initial officer(s) and/or director(s) of the corporation is/are:

Title: P
KRISTOPHER E BENZ
6131 DANIA STREET
JUPITER, FL. 33458 US

AGREEMENT
BETWEEN

Gardens School of Technology Arts, Inc.

AND

Five K Financial

This Agreement is made this 1st, day of July, 2015 between Gardens School of Technology Arts, Inc. (hereinafter referred to as "GSOTA") with offices at 9153 Roan Lane, Palm Beach Gardens, FL, 33403 and Five K Financial, (hereinafter known as "Consultant").

WITNESSETH:

WHEREAS, GSOTA desires to engage and retain the services of the Consultant and the Consultant desires to accept such engagement.

NOW THEREFORE, in consideration of the foregoing and mutual promises, covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Statement of Work

The Statement of Work for this project is referenced and incorporated as Appendix A. The statement of work may be amended by mutual written agreement of the Governing Board of GSOTA (hereinafter, the "Board") and the Consultant.

2. Term

The term of the Agreement shall begin on July 1st, 2015 and shall end on June, 30th, 2016. Consultant shall perform the services referenced in the Statement of Work above. The term may be extended or amended by mutual written agreement of the parties.

3. Compensation

As compensation in full for all services to be performed by the Consultant pursuant to this Agreement, GSOTA shall pay the Consultant a total of \$24,000 in accordance with the following payment schedule.

- A. Consultant shall submit an invoice to GSOTA by or before the 10th day of each month following the month in which the services were provided reflecting actual costs.
- B. The maximum compensation under this Agreement shall be \$24,000 (the "Contract Amount") with a monthly amount of \$2000 in accordance with the established budget based upon an hourly rate of \$50.
- C. In a given month, hours worked beyond the monthly allocation of \$2000 shall be compensated by the balance of hours from another month. Compensation beyond the monthly allocation of \$2000 must be invoiced separately by the

- Consultant and requires approval by the Board Treasurer for payment.
- D. Payment will be made by GSOTA, Inc. within 10 days after receipt of Consultant's invoice. Consultant's invoice should follow the payment schedule listed under paragraph 3A.
 - E. Agreement Contract Amount is not inclusive of additional costs, which may include, but may not be limited to travel, lodging, meals, memberships, document preparation and fees.
 - F. Reimbursement for additional costs incurred by the Consultant must be submitted on reimbursement forms with rates to be determined by the Board in accordance with budget authorized by the Board.
 - G. Consultant shall submit to the Board (or Board's designee) any documentation necessary to substantiate the full and satisfactory performance of the services for which payment is requested. The Board Member (or Designee) who will verify the services have been performed and approve the invoice and expense reimbursement form(s) is:

Gerald Hoenings, Board Treasurer or
Debra K. Moore, Board President

4. Confidentiality

GSOTA and the Consultant acknowledge and agree that if during the term of this Agreement confidential information is disclosed by one party to the other, each party shall hold all such confidential information in the strictest confidence as a fiduciary and shall not voluntarily sell, transfer, publish, disclose, display or otherwise make available to any third persons such confidential information or any portion thereof without the express written consent of the other party. GSOTA and the Consultant shall each use their best efforts to protect the confidentiality of all such information consistent with the manner in which they protect their most confidential business information.

5. Privacy and Protection of Student Records

The Consultant is subject to all Board obligations relating to compliance with student records, confidentiality laws. By signing this Agreement, the Consultant acknowledges and agrees to comply with the Family Educational Rights and Privacy Act (FERPA) and all state and federal laws relating to the confidentiality of student records.

6. Independent Consultant

The Consultant is, for all purposes arising under this Agreement, an independent contractor, and nothing herein shall create any association, partnership or joint venture between the parties hereto or any employer-employee relationships. Neither the Consultant nor Board, nor any officer, agent or employee thereof, shall be entitled to any benefits to which employees of the other party are entitled, including, but not limited to, overtime, retirement benefits, workers compensation benefits, injury leave, or other leave benefits.

7. Termination

Either party may terminate this Agreement with or without cause provided that sixty (60) days prior notice is given to the other party.

GSOTA may terminate this Agreement immediately by written notice to the Consultant if the Consultant fails to perform or defaults in any manner in the performance of this Agreement in strict accordance with its terms or fails to cure any breach after receiving a "Show Cause Notice", identifying the failure and providing the Consultant ten days to cure the failure or nonperformance. In the event of such termination, the Consultant agrees to cease immediately all work and to turn over all work products to GSOTA. GSOTA shall have no liability to the Consultant in the event of termination hereunder except to pay the Consultant for services rendered prior to the effective date of termination for default, and to pay Consultant for reimbursable, non-cancelable expenses incurred by Consultant in connection with the work contemplated herein prior to the effective date of termination; such payment to be determined at time of termination. The rights and remedies of GSOTA provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

8. Liability/Indemnification

Subject to the foregoing provisions, the Consultant agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Board, its officers, directors, employees and agents from and against any liabilities, damages and costs (including reasonable attorneys fees and costs of defense) arising out of the death, bodily injury, disease or sickness to any person or the destruction or damage to any tangible property including the loss of use resulting therefrom, to the extent caused, during the performance of Services under this Agreement, by the negligent acts, errors or omissions of the Consultant or anyone for whom the Consultant is legally responsible, subject to any limitations of liability contained in this Agreement. The Board agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Consultant, its officers, directors, employees and agents from any liabilities, damages and costs (including reasonable attorneys fees and costs of defense) to the extent caused by the negligent acts, errors or omissions of the Board, the Board's contractors, consultants or anyone for whom Board is legally responsible.

9. Assignment

This Agreement shall not be assigned by either party without express written mutual agreement between the Consultant and GSOTA.

10. Entire Agreement

This Agreement constitutes the sole agreement between the parties hereto and no Amendment, modification or waiver of any of the terms and conditions hereof shall be valid unless in writing. Any prior oral or written agreements shall not be considered a part of this Agreement.

11. Governing Law and Venue

This Agreement shall be construed in accordance with the laws of the State of Florida. Any dispute with respect to this Agreement is subject to the laws of Florida, venue in Palm Beach County, Florida.

12. Notices

All notices given or required hereunder shall be deemed sufficient if sent by United States mail, postage prepaid, to the addresses of the Consultant or to GSOTA specified in this Agreement, unless either party hereto shall specify to the other party a different address for the giving of such notices.

13. Contracting Officer Representative

For the purposes of this Agreement, the Contracting Representatives are as follows:

For: Consultant

Erik Benz
President
Five K Financial
6131 Dania St.
Jupiter Florida 33458

For: Gardens School of Technology Arts, Inc.

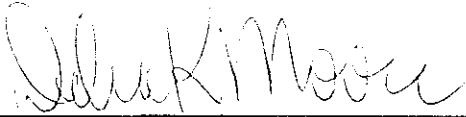
Debra K. Moore
President, Governing Board
Gardens School of Technology Arts, Inc
9153 Roan Lane
Palm Beach Gardens, FL 33403

16. Signatory Authority

The officials executing this Agreement warrant and represent that they are authorized by their Respective entity to enter in a binding agreement.

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized officers, have executed this agreement as of the date first above written.

By  _____
Erik Benz
President
Five K Financial

By:  _____
Debra K. Moore,
President
Governing Board
Gardens School of Technology Arts, Inc

APPENDIX A

STATEMENT OF WORK

The purpose of this Agreement is to outline the expectations of the Consultant's role in providing guidance and oversight to Gardens School of Technology Arts, Inc., in the following areas:

Project Objectives

1. Monitor progress of the Five Year Plan for facility improvements and school expansion under the direction of the Board. Provide a definitive standard of an exceptional learning environment that creates the feel of a modern learning facility, while yet friendly and welcoming for families.
2. Guide the financial processes that will allow the school the resources needed to educate each student within the mission/vision of the school
3. Create an environment that provides each staff person with a sense of stability and an excitement about our working environment.
4. Protect the mission/vision of the school by offering leadership as needed.

Outcome Measures

Outcome measures will be reviewed and analyzed by the Governing Board or its designee at regularly called meetings (generally monthly but may be more frequently) at the sole discretion of the Board. The Board at its discretion may appoint liaisons to oversee Consultant's execution of Project Objectives for full accountability.

Projects and expenditures determined and prioritized in the Five Year Plan by the Facilities Committee in the best interest of the students of Gardens School of Technology Arts will be recommended to the Board for approval. Progress of projects in the implementation of the Five Year Plan will be reviewed by the Board monthly or more frequently as deemed necessary by the Board.

- Five K will execute tasks as outlined in the Five Year Plan under the guidance of the Facilities Committee.
- Five K will ensure that facilities are adequate for school growth and fits within the vision of the School Image as planned for in the Facilities Plan and service school facilities needs in accordance with the school's growth plan.
- Oversee utilization of capital outlay funds for facility improvements according to priority schedule determined by the Facilities Committee.

- Pursue and administrate school expansion to the capacity of 364 students. This will involve the addition of new classrooms and possibly expansion to additional property.
- To work under the guidance and direction of the board treasurer to ensure budget integrity.
- To assist the CPA in the financial oversight, coding, processing and budgeting.
- To support the Director of Academics, by providing budgetary allocations for educational needs and recognition of spending resources for staffing, instructional materials, technology components and any academic-related expenses.
- For Director of Operations, to provide communication for processes, filings, coding and budget concerns as well as recognition of spending resources for technology programming. Additionally to consult in manners of compliance and legalities as requested.
- To work with the Treasurer and budget committee in preparing payroll budgets, estimates and incentive plans in compliance with legislation and regulatory requirements.
- To work with the CPA and Director of Operations to help coordinate and disseminate information and plan documentation around payroll benefits programs and internal incentive programs.
- To alert the Board and the admin team of specific challenges, concerns or issues that pose risks to the school achieving its mission and objectives both within the current year and within its overall mission and vision under the school's charter.
- Budget reports and compliance with approved financial processes will be reviewed by the Board at monthly meetings and more frequently by the Board Treasurer as required.

Proposed Timeline for Delivery of Services

- Services will be rendered for the entire school year 2015/2016 starting July 1, 2015 and continuing to June 30, 2016.

Conditions of Project

Consultant agrees to comply with all applicable federal, state and local laws.

Consultant will maintain books, records and documents in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all expenditures of funds provided by GSOTA under this Agreement.

Consultant will report to the Board during the term of this Agreement any threatened or pending litigation brought against the Consultant, including a description of the nature of the claims involved, and, upon request, to furnish information regarding the status of such litigation and copies of pleadings filed therein.

Consultant shall be responsible for providing general liability insurance coverage and whatever other coverage deemed reasonably necessary by the Board, which insurance shall be maintained at all times during the existence of the Agreement and shall name GSOTA as an "additional insured" there under. Upon request, the Consultant shall furnish the Board with written verification of the existence of such insurance coverage.

Consultant has not been granted any jurisdiction or control over the charter school and specifically has no vested or delegated authority to appoint, employ, promote, or advance individuals or to recommend individuals for appointment, employment, promotion, or advancement in connection with employment in the charter school.

Consultant has not been granted any jurisdiction or control over the charter school's finances and specifically has no vested or delegated authority to spend, allocate or commit funds of the charter school.

The Jessica Lundsford Act: All individuals who are permitted access on school grounds when students are present, individuals who will have direct contact with children or any student of GSOTA, or who will have access to or control of school funds must be fingerprinted and background checked. Consultant agrees to undergo a background check and fingerprinting if he/she is an individual who meets any of the conditions to submit a background check, including fingerprinting by the Palm Beach County School District's Police Department. Consultant shall not begin providing services contemplated by this Agreement until Consultant receives notice of clearance by the School District. The Board, nor its members, officers, employees, or agents, shall not be liable under any legal theory of any kind of claim whatsoever for the rejection of Consultant (or discontinuation of Consultant's services) on the basis of these compliance obligations. Consultant agrees that neither the Consultant, nor any employee, agent or representation of the Consultant who has been convicted or who is currently under investigation for a crime delineated in FS 435.04 will be employed in the performance of this Agreement.

Other conditions that may be applied with our without advance notice pursuant to the obligations and requirements placed on GSOTA under the terms of its Charter Agreement with the School District of Palm Beach County.



DOROTHY JACKS
CFA, AAS
Palm Beach County Property Appraiser

Homestead Exemption **E-file**



Location Address 6131 DANIA ST
Municipality JUPITER
Parcel Control Number 30-42-41-15-01-013-0160
Subdivision NORTH PALM BEACH HEIGHTS UNREC ON AM-45
Official Records Book 17641 Page 773
Sale Date OCT-2004
Legal Description NORTH PALM BEACH HEIGHTS LT 16 BLK 13

Owners
BENZ JEANNE K
BENZ KRISTOPHER E &

Mailing address
5131 DANIA ST
JUPITER FL 33458 6646

Sales Date	Price	OR Book/Page	Sale Type	Owner
OCT-2004	\$282,500	17641 / 00773	WARRANTY DEED	BENZ KRISTOPHER E &
SEP-2000	\$149,700	12018 / 00901	WARRANTY DEED	MONTGOMERY MARK D &
JUL-1999	\$380,700	11245 / 01484	WARRANTY DEED	M MILLER & COMPANY INC
JUL-1999	\$100	11245 / 01376	QUIT CLAIM	
JAN-1978	\$100	02969 / 01531	QUIT CLAIM	

Exemption Applicant/Owner	Year	Detail
BENZ KRISTOPHER E &	2017	

Number of Units 1 *Total Square Feet 2219 Acres 0.14
Use Code 0100 - SINGLE FAMILY Zoning RM - (30-JUPITER)

Tax Year	2016	2015	2014
Improvement Value	\$146,895	\$146,341	\$138,286
Land Value	\$87,399	\$67,230	\$60,027
Total Market Value	\$234,294	\$213,571	\$198,313

All values are as of January 1st each year

Tax Year	2016	2015	2014
Assessed Value	\$172,695	\$171,495	\$170,134
Exemption Amount	\$50,000	\$50,000	\$50,000
Taxable Value	\$122,695	\$121,495	\$120,134

Tax Year	2016	2015	2014
Ad Valorem	\$2,549	\$2,615	\$2,645
Non Ad Valorem	\$297	\$317	\$298
Total tax	\$2,846	\$2,932	\$2,943

Source: "Palm Beach County Property Appraiser"

2016 FLORIDA PROFIT CORPORATION ANNUAL REPORT

DOCUMENT# P11000002504

Entity Name: FIVE K FINANCIAL INC.

Current Principal Place of Business:

.131 DANIA STREET
JUPITER, FL 33458

Current Mailing Address:

6131 DANIA STREET
JUPITER, FL 33458 US

FBI Number: 27-4528303

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

BENZ, KRISTOPHER E
6131 DANIA STREET
JUPITER, FL 33458 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE:

Electronic Signature of Registered Agent

Date

Officer/Director Detail :

Title P
Name BENZ, KRISTOPHER E
Address 6131 DANIA STREET
City-State-Zip: JUPITER FL 33458

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 607, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: KRISTOPHER E BENZ

PRESIDENT

04/29/2016

Electronic Signature of Signing Officer/Director Detail

Date

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 14

The Children's Academy at Covenant, Inc.

2012 NOT-FOR-PROFIT CORPORATION ANNUAL REPORT

FILED
Apr 25, 2012
Secretary of State

DOCUMENT# N05000012607

Entity Name: THE CHILDREN'S ACADEMY AT COVENANT, INC.

Current Principal Place of Business:

New Principal Place of Business:

9153 ROAN LANE
PALM BEACH GARDENS, FL 33403

Current Mailing Address:

New Mailing Address:

9153 ROAN LANE
PALM BEACH GARDENS, FL 33403

FEI Number: 20-4238888 FEI Number Applied For () FEI Number Not Applicable () Certificate of Status Desired ()

Name and Address of Current Registered Agent:

Name and Address of New Registered Agent:

BENZ, JEANNE K
9153 ROAN LANE
PALM BEACH GARDENS, FL 33403 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE:

Electronic Signature of Registered Agent

Date

OFFICERS AND DIRECTORS:

Title: PD
Name: BENZ, JUDY
Address: 10254 ALLAMANDA CIRCLE
City-St-Zip: PALM BEACH GARDENS, FL 33410

Title: VD
Name: BENZ, JEANNE K
Address: 6131 DANIA STREET
City-St-Zip: JUPITER, FL 33458

Title: D
Name: LANNAMAN, REVAMAE
Address: 125 EVERGREEN
City-St-Zip: LAKE PARK, FL 33403

Title: D
Name: RODRIGUEZ, RICKY
Address: 14729 93RD STREET N
City-St-Zip: WEST PALM BEACH, FL 33412

Title: ST
Name: BAWEL, MERNA
Address: 3319 C GARDENS EAST DRIVE
City-St-Zip: PALM BEACH GARDENS, FL 33410

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 617, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: JEANNE K. BENZ

V.P.

04/25/2012

Electronic Signature of Signing Officer or Director

Date

2012 NOT-FOR-PROFIT CORPORATION ANNUAL REPORT

FILED
Apr 25, 2012
Secretary of State

DOCUMENT# N05000012607

Entity Name: THE CHILDREN'S ACADEMY AT COVENANT, INC.

Current Principal Place of Business:

New Principal Place of Business:

9153 ROAN LANE
PALM BEACH GARDENS, FL 33403

Current Mailing Address:

New Mailing Address:

9153 ROAN LANE
PALM BEACH GARDENS, FL 33403

FEI Number: 20-4238888 FEI Number Applied For () FEI Number Not Applicable () Certificate of Status Desired ()

Name and Address of Current Registered Agent:

Name and Address of New Registered Agent:

BENZ, JEANNE K
9153 ROAN LANE
PALM BEACH GARDENS, FL 33403 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE:

Electronic Signature of Registered Agent

Date

OFFICERS AND DIRECTORS:

Title: PD
Name: BENZ, JUDY
Address: 10254 ALLAMANDA CIRCLE
City-St-Zip: PALM BEACH GARDENS, FL 33410

Title: VD
Name: BENZ, JEANNE K
Address: 6131 DANIA STREET
City-St-Zip: JUPITER, FL 33458

Title: D
Name: LANNAMAN, REVAMAE
Address: 125 EVERGREEN
City-St-Zip: LAKE PARK, FL 33403

Title: D
Name: RODRIGUEZ, RICKY
Address: 14729 93RD STREET N
City-St-Zip: WEST PALM BEACH, FL 33412

Title: ST
Name: BAWEL, MERNA
Address: 3319 C GARDENS EAST DRIVE
City-St-Zip: PALM BEACH GARDENS, FL 33410

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 617, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: JEANNE K. BENZ

V.P.

04/25/2012

Electronic Signature of Signing Officer or Director

Date

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 15

Cancelled Checks

Post date: 12/03/2012
Amount: \$ 1243.77

Account: 882649064
Check Number: 7031

Gardens School of Technology Arts, Inc.
JP Morgan Chase Bank, N.A. 007031
Interest Service Account
Miami, FL 33185
8150 Rosen Lane
ES-84132970
Palm Beach Gardens, FL 33403-1029

DATE 11/22/2012

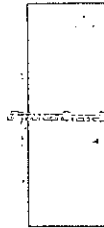
PAY TO THE ORDER OF The Children's Academy \$ 1,243.77

One Thousand Two Hundred Forty-Three and 77/100

The Children's Academy

MEMO November 30 services

007031 ⑆ 267084 13 1⑆ 882649064⑆



PO: The Children's Academy

Post date: 12/12/2012
Amount: \$ 2000.21

Account: 882649064
Check Number: 7036

Gardens School of Technology Arts, Inc.
JP Morgan Chase Bank, N.A. 007036
Interest Service Account
Miami, FL 33185
8150 Rosen Lane
Palm Beach Gardens, FL 33403-1029

DATE 12/12/2012

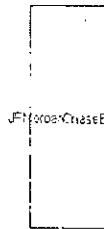
PAY TO THE ORDER OF The Children's Academy \$ 2,000.21

Two Thousand and 21/100

The Children's Academy

MEMO December 15 services

007036 ⑆ 267084 13 1⑆ 882649064⑆



PO: The Children's Academy of CA

Post date: 01/07/2013
Amount: \$ 1749.37

Account: 882649064
Check Number: 7041

Gardens School of Technology Arts, Inc.
JP Morgan Chase Bank, N.A. 007041
Interest Service Account
Miami, FL 33185
8150 Rosen Lane
Palm Beach Gardens, FL 33403-1029

DATE 1/3/2013

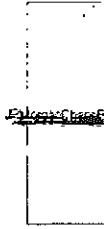
PAY TO THE ORDER OF The Children's Academy \$ 1,749.37

One Thousand Seven Hundred Forty-Nine and 37/100

The Children's Academy

MEMO December 31 services

007041 ⑆ 267084 13 1⑆ 882649064⑆



ORDERED TO ACCOUNT OF WITH NAME PRINTED FOR DEPOSIT ONLY JP Morgan Chase Bank, N.A.

Post date: 01/24/2013
Amount: \$ 711.94

Account: 882649064
Check Number: 7042

Gardens School of Technology Arts, Inc.
JP Morgan Chase Bank, N.A. 007042
Interest Service Account
Miami, FL 33185
8150 Rosen Lane
Palm Beach Gardens, FL 33403-1029

DATE 1/17/2013

PAY TO THE ORDER OF The Children's Academy \$ 711.94

Seven Hundred Eleven and 94/100

The Children's Academy

MEMO January 15 services

007042 ⑆ 267084 13 1⑆ 882649064⑆



ORDERED TO ACCOUNT OF WITH NAME PRINTED FOR DEPOSIT ONLY JP Morgan Chase Bank, N.A.

Date: 01/31/2013
Amount: \$ 2065.67

Account: 882649064
Check Number: 7043

Gardens School of Technology Arts, Inc.
Internal Service Account
8153 Palm Lane
Palm Beach Gardens, FL 33443-1228

JP Morgan Chase Bank, N.A.
Miami, FL 33165
60-4112279

007043

DATE 1/30/2013

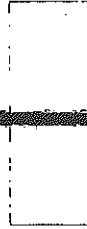
PAY TO THE ORDER OF The Children's Academy \$ 2,065.67

TWO THOUSAND SIXTY-FIVE AND 67/100

The Children's Academy

MEMO: January 31 services

1007043 2670841314 882649064



Post date: 02/15/2013
Amount: \$ 1951.47

Account: 882649064
Check Number: 7052

Gardens School of Technology Arts, Inc.
Internal Service Account
8153 Palm Lane
Palm Beach Gardens, FL 33443-1228

JP Morgan Chase Bank, N.A.
Miami, FL 33165
60-4112279

007052

DATE 2/15/2013

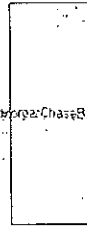
PAY TO THE ORDER OF The Children's Academy \$ 1,951.47

ONE THOUSAND NINE HUNDRED FIFTY-ONE AND 47/100

The Children's Academy

MEMO: February 15 services

1007052 2670841314 882649064



JPMorgan Chase Bank 021509 741699 942300036662

FOR DEPOSIT ONLY
THE CHILDREN'S ACADEMY
AT GARDENS ARTS
882649064

Post date: 03/04/2013
Amount: \$ 1388.06

Account: 882649064
Check Number: 7049

Gardens School of Technology Arts, Inc.
Internal Service Account
8153 Palm Lane
Palm Beach Gardens, FL 33443-1228

JP Morgan Chase Bank, N.A.
Miami, FL 33165
60-4112279

007049

DATE 2/27/2013

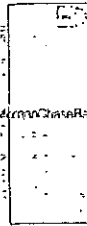
PAY TO THE ORDER OF The Children's Academy \$ 1,388.06

ONE THOUSAND THREE HUNDRED EIGHTY-EIGHT AND 06/100

The Children's Academy

MEMO: February 28 services

1007049 2670841314 882649064



JPMorgan Chase Bank 030406 130747 956310067978

FOR DEPOSIT ONLY
THE CHILDREN'S ACADEMY
AT GARDENS ARTS
882649064

Post date: 03/13/2013
Amount: \$ 1795.78

Account: 882649064
Check Number: 7054

Gardens School of Technology Arts, Inc.
Internal Service Account
8153 Palm Lane
Palm Beach Gardens, FL 33443-1228

JP Morgan Chase Bank, N.A.
Miami, FL 33165
60-4112279

007054

DATE 3/13/2013

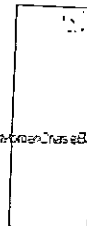
PAY TO THE ORDER OF The Children's Academy \$ 1,795.78

ONE THOUSAND SEVEN HUNDRED NINETY-FIVE AND 78/100

The Children's Academy

MEMO: March 16 services

1007054 2670841314 882649064



JPMorgan Chase Bank 031307 741699 942300071564

CREDITED TO ACCOUNT
WITHIN 10 BUSINESS DAYS
FOR DEPOSIT ONLY
JPMorgan Chase Bank, N.A.

Post date: 05/13/2013
Amount: \$ 1431.47

Account: 882649064
Check Number: 7065

Gardens School of Technology Arts, Inc. Internal Service Account
 8153 Palm Lane Palm Beach Gardens, FL 33423-1229

JP Morgan Chase Bank, N.A. Miami, FL 33185 62-54132870

007065

DATE 5/13/2013

PAY TO THE ORDER OF The Children's Academy \$ 1,431.47

One Thousand Four Hundred Thirty-One and 47/100

The Children's Academy

MEMO: May 15 services

⑆007065⑆ ⑆267084131⑆ 882649064⑆



ONE ORDER AT GUARANTEE

Post date: 05/30/2013
Amount: \$ 1193.53

Account: 882649064
Check Number: 7076

Gardens School of Technology Arts, Inc. Internal Service Account
 8153 Palm Lane Palm Beach Gardens, FL 33423-1229

JP Morgan Chase Bank, N.A. Miami, FL 33185 62-54132870

007076

DATE 5/30/2013

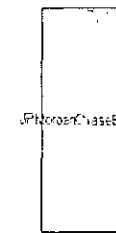
PAY TO THE ORDER OF The Children's Academy \$ 1,193.53

One Thousand One Hundred Ninety-Three and 53/100

The Children's Academy

MEMO: May 31 services

⑆007076⑆ ⑆267084131⑆ 882649064⑆



FDO 882649189

JP Morgan Chase Bank 063008741899 942300363199

Post date: 06/11/2013
Amount: \$ 1172.99

Account: 882649064
Check Number: 7078

Gardens School of Technology Arts, Inc. Internal Service Account
 8153 Palm Lane Palm Beach Gardens, FL 33423-1229

JP Morgan Chase Bank, N.A. Miami, FL 33185 62-54132870

007078

DATE 6/11/2013

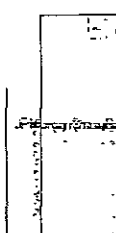
PAY TO THE ORDER OF The Children's Academy \$ 1,172.99

One Thousand One Hundred Seventy-Two and 99/100

The Children's Academy

MEMO: June 15 services

⑆007078⑆ ⑆267084131⑆ 882649064⑆



FDO The Children's Academy of Gardens 882649189

JP Morgan Chase Bank 061162741899 94230036443

Post date: 05/13/2013

Account: 882649064

Amount: \$ 1431.47

Check Number: 7065

Gardens School of Technology Arts, Inc.
 Parent Service Account
 8153 Ryan Lane
 Palm Beach Gardens, FL 33420-1128

JPMorgan Chase Bank, N.A.
 Miami, FL 33135
 83-44132973

007065

DATE 5/13/2013

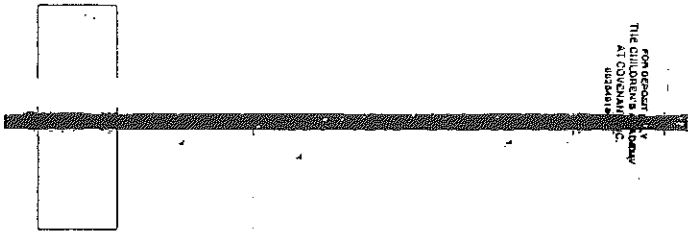
PAY TO THE ORDER OF The Children's Academy \$ 1,431.47

One Thousand Four Hundred Thirty-One and 47/100

The Children's Academy

MEMO: May 15 services

007065 ⑆ 267084 13 1⑆ 882649064*



FROM DEPOSIT
AT THE CHILDREN'S ACADEMY

Post date: 05/30/2013

Account: 882649064

Amount: \$ 1193.53

Check Number: 7076

Gardens School of Technology Arts, Inc.
 Parent Service Account
 8153 Ryan Lane
 Palm Beach Gardens, FL 33420-1128

JPMorgan Chase Bank, N.A.
 Miami, FL 33135
 83-44132973

007076

DATE 5/30/2013

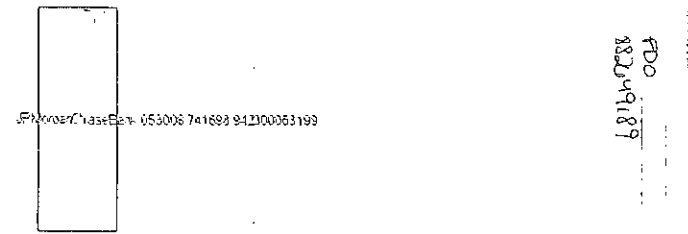
PAY TO THE ORDER OF The Children's Academy \$ 1,193.53

One Thousand One Hundred Ninety-Three and 53/100

The Children's Academy

MEMO: May 31 services

007076 ⑆ 267084 13 1⑆ 882649064*



FDD
382649189

Post date: 06/11/2013

Account: 882649064

Amount: \$ 1172.99

Check Number: 7078

Gardens School of Technology Arts, Inc.
 Parent Service Account
 8153 Ryan Lane
 Palm Beach Gardens, FL 33420-1128

JPMorgan Chase Bank, N.A.
 Miami, FL 33135
 83-44132973

007078

DATE 6/11/2013

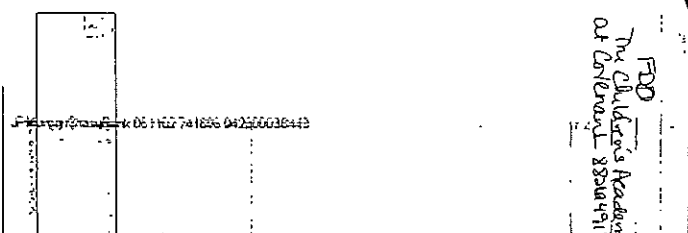
PAY TO THE ORDER OF The Children's Academy \$ 1,172.99

One Thousand One Hundred Seventy-Two and 99/100

The Children's Academy

MEMO: June 15 services

007078 ⑆ 267084 13 1⑆ 882649064*



FDD
The Children's Academy
at Convent 882649184

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 16

1 Stop Generator Shop, Inc.

2017 FLORIDA PROFIT CORPORATION ANNUAL REPORT

DOCUMENT# P06000090483

Entity Name: 1 STOP GENERATOR SHOP, INC.

Current Principal Place of Business:

.00 INVESTMENT LANE #104
RIVIERA BEACH, FL 33404

Current Mailing Address:

3600 INVESTMENT LANE #104
RIVIERA BEACH, FL 33404 US

FEI Number: 20-5192995

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

ANDIO, JON E
8729 112TH TERRACE NORTH
WEST PALM BEACH, FL 33412 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE:

Electronic Signature of Registered Agent

Date

Officer/Director Detail :

Title PD
Name ANDIO, JON E
Address 8729 112TH TERRACE NORTH
City-State-Zip: WEST PALM BEACH FL 33412

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 607, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: JON ANDIO

PRESIDENT

01/06/2017

Electronic Signature of Signing Officer/Director Detail

Date



Gardens School OF TECHNOLOGY ARTS

Educating Young Innovators for the 21st Century

Item III.g.

Name	Position	Term
Alfrey, Lori	Member	2012-2014
Andio, Jon	Member	2014-present
Cole, Lisa	Secretary	2011-present
Culp, Dave	Member	2016 (2 months)
Farley, Christine	Member	2014-present
Hoenings, Gerald	Treasurer	2014-present
Menkhaus, David	Treasurer	2011-2014
Moore, Carla	Member	2014 (4 months)
Moore, Debra	Chair	2011-present
Reyes, Dave	Vice Chair	2011-present
Stonecipher, Misi	Member	2011-2012

* Jon Andio is the owner of "4 Step Generator, Step, Inc."

*Kathleen W. Schoenberg, P.A.
Charter School Governance Training*

Certificate of Participation

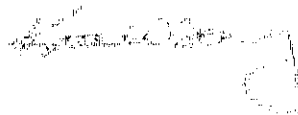
is hereby granted to:

Jon Andio

Gardens School of Technology Arts

for successful completion of the FL 4-Hour Training
approved by the Florida Department of Education

Date of Completion: October 15, 2014



Kathleen W. Schoenberg, Esq.

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 17

Agreement between
GSOTA and Five K Financial

AGREEMENT
BETWEEN

Gardens School of Technology Arts, Inc.

AND

Five K Financial

This Agreement is made this 1st, day of July, 2015 between Gardens School of Technology Arts, Inc. (hereinafter referred to as "GSOTA") with offices at 9153 Roan Lane, Palm Beach Gardens, FL, 33403 and Five K Financial, (hereinafter known as "Consultant").

WITNESSETH:

WHEREAS, GSOTA desires to engage and retain the services of the Consultant and the Consultant desires to accept such engagement.

NOW THEREFORE, in consideration of the foregoing and mutual promises, covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Statement of Work

The Statement of Work for this project is referenced and incorporated as Appendix A. The statement of work may be amended by mutual written agreement of the Governing Board of GSOTA (hereinafter, the "Board") and the Consultant.

2. Term

The term of the Agreement shall begin on July 1st, 2015 and shall end on June, 30th, 2016. Consultant shall perform the services referenced in the Statement of Work above. The term may be extended or amended by mutual written agreement of the parties.

3. Compensation

As compensation in full for all services to be performed by the Consultant pursuant to this Agreement, GSOTA shall pay the Consultant a total of \$24,000 in accordance with the following payment schedule.

- A. Consultant shall submit an invoice to GSOTA by or before the 10th day of each month following the month in which the services were provided reflecting actual costs.
- B. The maximum compensation under this Agreement shall be \$24,000 (the "Contract Amount") with a monthly amount of \$2000 in accordance with the established budget based upon an hourly rate of \$50.
- C. In a given month, hours worked beyond the monthly allocation of \$2000 shall be compensated by the balance of hours from another month. Compensation beyond the monthly allocation of \$2000 must be invoiced separately by the

- Consultant and requires approval by the Board Treasurer for payment.
- D. Payment will be made by GSOTA, Inc. within 10 days after receipt of Consultant's invoice. Consultant's invoice should follow the payment schedule listed under paragraph 3A.
 - E. Agreement Contract Amount is not inclusive of additional costs, which may include, but may not be limited to travel, lodging, meals, memberships, document preparation and fees.
 - F. Reimbursement for additional costs incurred by the Consultant must be submitted on reimbursement forms with rates to be determined by the Board in accordance with budget authorized by the Board.
 - G. Consultant shall submit to the Board (or Board's designee) any documentation necessary to substantiate the full and satisfactory performance of the services for which payment is requested. The Board Member (or Designee) who will verify the services have been performed and approve the invoice and expense reimbursement form(s) is:

Gerald Hoenings, Board Treasurer or
Debra K. Moore, Board President

4. Confidentiality

GSOTA and the Consultant acknowledge and agree that if during the term of this Agreement confidential information is disclosed by one party to the other, each party shall hold all such confidential information in the strictest confidence as a fiduciary and shall not voluntarily sell, transfer, publish, disclose, display or otherwise make available to any third persons such confidential information or any portion thereof without the express written consent of the other party. GSOTA and the Consultant shall each use their best efforts to protect the confidentiality of all such information consistent with the manner in which they protect their most confidential business information.

5. Privacy and Protection of Student Records

The Consultant is subject to all Board obligations relating to compliance with student records, confidentiality laws. By signing this Agreement, the Consultant acknowledges and agrees to comply with the Family Educational Rights and Privacy Act (FERPA) and all state and federal laws relating to the confidentiality of student records.

6. Independent Consultant

The Consultant is, for all purposes arising under this Agreement, an independent contractor, and nothing herein shall create any association, partnership or joint venture between the parties hereto or any employer-employee relationships. Neither the Consultant nor Board, nor any officer, agent or employee thereof, shall be entitled to any benefits to which employees of the other party are entitled, including, but not limited to, overtime, retirement benefits, workers compensation benefits, injury leave, or other leave benefits.

7. Termination

Either party may terminate this Agreement with or without cause provided that sixty (60) days prior notice is given to the other party.

GSOTA may terminate this Agreement immediately by written notice to the Consultant if the Consultant fails to perform or defaults in any manner in the performance of this Agreement in strict accordance with its terms or fails to cure any breach after receiving a "Show Cause Notice" identifying the failure and providing the Consultant ten days to cure the failure or nonperformance. In the event of such termination, the Consultant agrees to cease immediately all work and to turn over all work products to GSOTA. GSOTA shall have no liability to the Consultant in the event of termination hereunder except to pay the Consultant for services rendered prior to the effective date of termination for default, and to pay Consultant for reimbursable, non-cancelable expenses incurred by Consultant in connection with the work contemplated herein prior to the effective date of termination; such payment to be determined at time of termination. The rights and remedies of GSOTA provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

8. Liability/Indemnification

Subject to the foregoing provisions, the Consultant agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Board, its officers, directors, employees and agents from and against any liabilities, damages and costs (including reasonable attorneys fees and costs of defense) arising out of the death, bodily injury, disease or sickness to any person or the destruction or damage to any tangible property including the loss of use resulting therefrom, to the extent caused, during the performance of Services under this Agreement, by the negligent acts, errors or omissions of the Consultant or anyone for whom the Consultant is legally responsible, subject to any limitations of liability contained in this Agreement. The Board agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Consultant, its officers, directors, employees and agents from any liabilities, damages and costs (including reasonable attorneys fees and costs of defense) to the extent caused by the negligent acts, errors or omissions of the Board, the Board's contractors, consultants or anyone for whom Board is legally responsible.

9. Assignment

This Agreement shall not be assigned by either party without express written mutual agreement between the Consultant and GSOTA.

10. Entire Agreement

This Agreement constitutes the sole agreement between the parties hereto and no Amendment, modification or waiver of any of the terms and conditions hereof shall be valid unless in writing. Any prior oral or written agreements shall not be considered a part of this Agreement.

11. Governing Law and Venue

This Agreement shall be construed in accordance with the laws of the State of Florida. Any dispute with respect to this Agreement is subject to the laws of Florida, venue in Palm Beach County, Florida.

12. Notices

All notices given or required hereunder shall be deemed sufficient if sent by United States mail, postage prepaid, to the addresses of the Consultant or to GSOTA specified in this Agreement, unless either party hereto shall specify to the other party a different address for the giving of such notices.

13. Contracting Officer Representative

For the purposes of this Agreement, the Contracting Representatives are as follows:

For: Consultant

Erik Benz
President
Five K Financial
6131 Dania St.
Jupiter Florida 33458

For: Gardens School of Technology Arts, Inc.

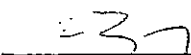
Debra K. Moore
President, Governing Board
Gardens School of Technology Arts, Inc
9153 Roan Lane
Palm Beach Gardens, FL 33403

16. Signatory Authority

The officials executing this Agreement warrant and represent that they are authorized by their Respective entity to enter in a binding agreement.

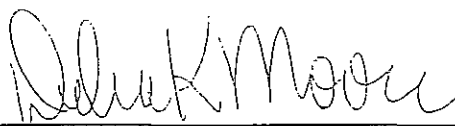
IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized officers, have executed this agreement as of the date first above written.

By



Erik Benz
President
Five K Financial

By:



Debra K. Moore,
President
Governing Board
Gardens School of Technology Arts, Inc

APPENDIX A

STATEMENT OF WORK

The purpose of this Agreement is to outline the expectations of the Consultant's role in providing guidance and oversight to Gardens School of Technology Arts, Inc., in the following areas:

Project Objectives

1. Monitor progress of the Five Year Plan for facility improvements and school expansion under the direction of the Board. Provide a definitive standard of an exceptional learning environment that creates the feel of a modern learning facility, while yet friendly and welcoming for families.
2. Guide the financial processes that will allow the school the resources needed to educate each student within the mission/vision of the school
3. Create an environment that provides each staff person with a sense of stability and an excitement about our working environment.
4. Protect the mission/vision of the school by offering leadership as needed.

Outcome Measures

Outcome measures will be reviewed and analyzed by the Governing Board or its designee at regularly called meetings (generally monthly but may be more frequently) at the sole discretion of the Board. The Board at its discretion may appoint liaisons to oversee Consultant's execution of Project Objectives for full accountability.

Projects and expenditures determined and prioritized in the Five Year Plan by the Facilities Committee in the best interest of the students of Gardens School of Technology Arts will be recommended to the Board for approval. Progress of projects in the implementation of the Five Year Plan will be reviewed by the Board monthly or more frequently as deemed necessary by the Board.

- Five K will execute tasks as outlined in the Five Year Plan under the guidance of the Facilities Committee.
- Five K will ensure that facilities are adequate for school growth and fits within the vision of the School Image as planned for in the Facilities Plan and service school facilities needs in accordance with the school's growth plan.
- Oversee utilization of capital outlay funds for facility improvements according to priority schedule determined by the Facilities Committee.

- Pursue and administrate school expansion to the capacity of 364 students. This will involve the addition of new classrooms and possibly expansion to additional property.
- To work under the guidance and direction of the board treasurer to ensure budget integrity.
- To assist the CPA in the financial oversight, coding, processing and budgeting.
- To support the Director of Academics, by providing budgetary allocations for educational needs and recognition of spending resources for staffing, instructional materials, technology components and any academic-related expenses.
- For Director of Operations, to provide communication for processes, filings, coding and budget concerns as well as recognition of spending resources for technology programming. Additionally to consult in manners of compliance and legalities as requested.
- To work with the Treasurer and budget committee in preparing payroll budgets, estimates and incentive plans in compliance with legislation and regulatory requirements.
- To work with the CPA and Director of Operations to help coordinate and disseminate information and plan documentation around payroll benefits programs and internal incentive programs.
- To alert the Board and the admin team of specific challenges, concerns or issues that pose risks to the school achieving its mission and objectives both within the current year and within its overall mission and vision under the school's charter.
- Budget reports and compliance with approved financial processes will be reviewed by the Board at monthly meetings and more frequently by the Board Treasurer as required.

Proposed Timeline for Delivery of Services

- Services will be rendered for the entire school year 2015/2016 starting July 1, 2015 and continuing to June 30, 2016.

Conditions of Project

Consultant agrees to comply with all applicable federal, state and local laws.

Consultant will maintain books, records and documents in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all expenditures of funds provided by GSOTA under this Agreement.

Consultant will report to the Board during the term of this Agreement any threatened or pending litigation brought against the Consultant, including a description of the nature of the claims involved, and, upon request, to furnish information regarding the status of such litigation and copies of pleadings filed therein.

Consultant shall be responsible for providing general liability insurance coverage and whatever other coverage deemed reasonably necessary by the Board, which insurance shall be maintained at all times during the existence of the Agreement and shall name GSOTA as an "additional insured" there under. Upon request, the Consultant shall furnish the Board with written verification of the existence of such insurance coverage.

Consultant has not been granted any jurisdiction or control over the charter school and specifically has no vested or delegated authority to appoint, employ, promote, or advance individuals or to recommend individuals for appointment, employment, promotion, or advancement in connection with employment in the charter school.

Consultant has not been granted any jurisdiction or control over the charter school's finances and specifically has no vested or delegated authority to spend, allocate or commit funds of the charter school.

The Jessica Lundsford Act: All individuals who are permitted access on school grounds when students are present, individuals who will have direct contact with children or any student of GSOTA, or who will have access to or control of school funds must be fingerprinted and background checked. Consultant agrees to undergo a background check and fingerprinting if he/she is an individual who meets any of the conditions to submit a background check, including fingerprinting by the Palm Beach County School District's Police Department. Consultant shall not begin providing services contemplated by this Agreement until Consultant receives notice of clearance by the School District. The Board, nor its members, officers, employees, or agents, shall not be liable under any legal theory of any kind of claim whatsoever for the rejection of Consultant (or discontinuation of Consultant's services) on the basis of these compliance obligations. Consultant agrees that neither the Consultant, nor any employee, agent or representation of the Consultant who has been convicted or who is currently under investigation for a crime delineated in FS 435.04 will be employed in the performance of this Agreement.

Other conditions that may be applied with our without advance notice pursuant to the obligations and requirements placed on GSOTA under the terms of its Charter Agreement with the School District of Palm Beach County.

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 18

GSOTA School Accounting & Reporting
Policies

Gardens School of Technology Arts
Financial Controls and Segregation of Duties Policy v.2
Rev 11/17/14

School's Accounting and Reporting Policies, Procedures and Practices

Gardens School of Technology Arts (the school) will maintain its financial records in accordance with the accounts and codes prescribed in the most recent issuance of the publication "*Financial and Program Cost Accounting and Reporting for Florida Schools*." The school intends to adhere to the standards as set forth in the "*Red Book*." The internal bookkeeper will manage the day to day finances of the school. This position will be held by a qualified individual and will report directly to the Director of Operations. A Certified Public Accountant (CPA) will be contracted to assist in the set-up of financial systems, in-house audits for records management and preparation of required IRS annual tax filings.

The Director of Operations will be responsible for presenting financial statements at the monthly board meetings. This position will also ensure compliance between actual expenditures and the approved budget. Internal controls will be put in place to maintain the integrity of the accounting records and to safeguard the school's assets. -

The school's fiscal year will follow The Palm Beach County School District, namely July 1 through June 30. The school will maintain their accounting records on the accrual basis. Under the accrual method, revenues are recognized when earned, not when funds are received. Expenses are recorded when payment is due not when payment is made.

Financial Statements

The school will report its financial condition and fiscal results of current operations in the following ways:

- Balance Sheet
- Statement of Activities
- Statement of Net Assets
- Statement of Cash Flows
- Profit and Loss Budget verse Actual
- Monthly Bank Reconciliations (including current bank statement)

Additional reports will be prepared as requested by the Board and as per any specific requirements of the school's Charter and any grants. All relevant reports required by the School District of Palm Beach County will be submitted in a timely manner by the Director of Operations.

The school's governing board will review its financial statements monthly.

Cash Receipts

**Gardens School of Technology Arts
Comprehensive Fund Balance Policy v2
Rev 11/17/14**

Gardens School of Technology Arts comprehensive fund balance policy addresses the following:

- Order of resource use – identifies which fund balance resources (restricted or unrestricted) are normally used first when an expenditure is incurred
- Committing fund balance – identifies what formal action is required to commit fund balance and by whom
- Assigning fund balance – identifies who is authorized to assign amounts
- Minimum fund balance (if applicable)
- Stabilization arrangements (if applicable)

Gardens School of Technology Arts' adopted spending policy is to spend from restricted fund balance first, followed by committed, assigned then the unassigned fund balance. Most funds were designated for one purpose at the time of their creation. Therefore, expenditures made out of the fund will be allocated to the applicable fund balance classifications in the order of the aforementioned spending policy. If expenditures are incurred that meet the purpose of more than one fund they will be allocated to restricted fund balance first and then follow the order above.

Funds can only be committed by formal action of the Board. The Board has delegated authority to the Director of Operations to assign funds up to the amount of \$10,000. There are no minimum fund balance requirements for any of the school's funds.

Any cash directly received by the school will be deposited in a timely manner. Payments received directly from parents will be received by the school secretary. Any funds left with a child and delivered to a teacher will be forwarded directly to the school secretary by the classroom teacher or related teacher assistant as soon time permits within the same day. Any employee who fails to turn in funds is held personally responsible for any loss that may occur.

The school secretary will gather the daily cash receipts and forward to the bookkeeper. The bookkeeper is responsible for recording the amount in the appropriate income accounts in the financial accounting software. The Director of Operations is responsible for depositing these daily funds into the appropriate bank account.

The school will maintain a petty cash account on the premises. This will be used to pay minimal daily expenses of the school as necessary. The petty cash account will not exceed a daily balance of \$200. This cash will be kept in a locked location and only be accessible by the Director of Operations and school secretary.

Invoices and Disbursements

The school secretary will be responsible for opening the daily mail. All invoices and other related accounting information will be forwarded to the bookkeeper for entry into the accounting system. All invoices must be approved by the school principal or Director of Operations. The CPA will be responsible for paying all approved invoices before the due date. All checks \$1,000 and over will require two signatures prior to disbursement. These potential signors will include the school principal, Director of Operations and one board member.

If a teacher or other office personnel incurs an expense on behalf of the school, they shall submit an Expense Reimbursement Form, along with the corresponding receipts, to the school principal for approval. After approval, the school principal will submit the form to the CPA for reimbursement to the appropriate personnel.

Except for payroll checks and normal monthly recurring expenses (rent, utilities, etc), all checks and debit card purchases \$500 and over will require a check requisition form to be completed by the requesting party. Prior to funds disbursement, the form will need to be approved by either the principal or Director of Operations. The school principal and Director of Operations will be the only authorized individuals with a debit card.

Payroll

Payroll will be based on a 24-pay period cycle and will be disbursed on the 15th and last day of each month. Hourly employees will be required to sign in and out daily to record their appropriate hours worked. Vacation time must be pre-approved by the Principal and/or the Director of Operations with respect to their departments. The Director of Operations will verify all vacation request forms and maintain records of paid time off.

The CPA will be responsible for maintaining the payroll and corresponding benefit deductions. Each employee will complete W-4 and I-9 forms which will be kept in the employee's permanent file. The Director of Operations will review the hourly employees' time sheets. The CPA will be responsible for calculating payroll and generating the semimonthly paychecks. The secretary will distribute the paychecks if direct deposit is not available. If direct deposit is utilized, the employee will receive a paycheck stub showing the detailed payroll items.

The CPA will be responsible for filing the quarterly federal and state payroll tax forms as well as the annual W-2s and W-3.

Fixed Assets

All employees of the school will be responsible for safekeeping and proper use of the school's assets. Losses resulting from negligence may result in personal liability. Physical inventories are performed for verification of records and inventory reports will be filed with the Palm Beach County School District in a timely manner as required in the school's Charter (currently quarterly). Beginning with the first fiscal year, the school has implemented statement no. 34 of the Governmental Accounting Standards Board which established the capitalization threshold for fixed assets at a \$1,000. All fixed assets must be approved by the Board of Directors unless the item has been previously recorded in an approved budget. These fixed assets are recorded at cost in the financial records. Depreciation of these items is calculated monthly. Any items donated to the School are recorded at estimated fair market value. All inventoried assets will be labeled as required by the school's Charter and per any specific grant requirements.

Budget

The Board of Directors will establish a Budget Advisory Group to develop the annual budget under the oversight of the Board Treasurer. The school's Board of Directors will approve an annual budget to achieve the short and long-term goals of the School. The budget will be adopted in compliance with requirements found in the school's Charter as well as with statutory requirements. Once the budget is adopted by the Board of Directors, it will be forwarded to the School District of Palm Beach County. The CPA and Director of Operations will continually monitor revenues and expenditures and advise the Board of Directors of any variations of actual to budget (in accordance with the policies to be outlined in the school's accounting procedures manual). Actual expenditures must not vary beyond 5% by general category (XX00 level) as outlined within the "Red Book" without specific Board Approval.

Financial Statement Audit

Under section 218.39 of the Florida Statutes, an annual audit is required to be completed by an independent CPA. The scope of the audit includes an examination of the financial statements and the issuance of a report on internal controls in accordance with government auditing standards. The Board of Directors of the school will select the qualified CPA firm to perform this audit, pursuant to applicable regulations and in accordance with the school's Charter. The auditor's

opinion will be based on generally accepted auditing standards and the standards applicable to financial audits contained in Governmental Auditing Standards issued by the Comptroller General of the United States of America. The CPA and Director Innovations/Operations will be responsible for taking and implementing any corrective actions based on the findings of the independent auditor.

Financial Records

The school's CPA will maintain the books and records in accordance with Generally Accepted Accounting Principles and utilize the latest edition of QuickBooks. All financial records will be stored in a secured location in a fire rated locked filing cabinet. The CPA and Director of Operations will be the only ones with immediate access to the information.

The Director of Operations, with the Principal's and the Board's consent, will seek to obtain necessary funding for the school. Funding will include private and public grants and general fundraising campaigns.

All student records will be kept in fire proof filing cabinets in the control of the Director of Operations. Access to these records will be granted to instructional and administrative employees on a sign-out policy. Any files accessed must be returned to the cabinet by the end of the school day. These records are maintained in accordance with the district's retention schedule, approved under Florida Statute 119.01(4). Any ESE student records are secured in a fire proof cabinet in the ESE coordinator's office and are not allowed to be checked out by school personnel. The school will have an online backup for its secured electronic files.

Segregation of Duties & Internal Controls Summary

Pursuant to the above detailed procedures, the policies of the school specifically insure that:

- The individual reconciling the bank accounts (CPA) does not make deposits, does not make withdrawals, does not sign or authorize the signing of checks and does not approve vendor contracts.
- Countersignature of all checks \$1,000 and higher is required.
- All incoming checks are stamped "for deposit only".
- Physical inventory count is conducted and reported [quarterly].
- Complete financial reports are prepared and presented to the Governing Board at regular board meetings (generally monthly) and filed with the Palm Beach County School District as required (monthly).

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 19

Business Account Add Signers Form



BUSINESS ACCOUNT ADD SIGNERS FORM

NAME OF BUSINESS GARDENS SCHOOL OF TECHNOLOGY ARTS INC

TAXPAYER ID NO. 27-1675874

BUSINESS ADDRESS 9163 ROAN LN, NORTH PALM BEACH, FL 33403-1029

BRANCH NAME AND NO. NORTHLAKE BLVD - 741698

BANK NO. 021

BRANCH PHONE NO. (561) 626-5553

INTEROFFICE MAIL CODE FL7-0218

PREPARED BY: NAME ALFRED PATTERSON

DATE: 04/03/2012

Please add the following signer to the accounts listed below (other authorized signers on record do not change).

Name of the Signer to Add	Title	Signature	Date
JEANNE KATHLEEN BENZ	SIGNER		4/3/12
Identification	ID Number	Issuer	Issuance Date
1) Driver's License	b620431765900	FL	02/24/2010
2) Major Credit Card	XXXXXXXXXXXX0542	capital one	04/01/2010
Expiration Date			
03/10/2018			06/01/2013
Account Numbers:	882649056	882649072	
886047129	882649064		

Please add the following signer to the accounts listed below (other authorized signers on record do not change):

Name of the Signer to Add	Title	Signature	Date
Identification	ID Number	Issuer	Issuance Date
Expiration Date			
Account Numbers:			

Please add the following signer to the accounts listed below (other authorized signers on record do not change):

Name of the Signer to Add	Title	Signature	Date
Identification	ID Number	Issuer	Issuance Date
Expiration Date			
Account Numbers:			

CERTIFICATION

The undersigned hereby certifies that the person(s) added as authorized signers on the account(s) indicated above have been added in accordance with resolutions or other documents of the Business regarding signing authority for bank accounts. The undersigned further certifies that for those added as authorized signers, the names, titles and signatures are correct.

For a Corporation or Unincorporated Association or Organization:	For Sole Proprietorship:	For Partnership or Limited Liability Company:	For Government Entity:
Secretary	Owner/Sole Proprietor	Partner/Member/Manager	Certifying Official
Date	Date	Date	Date



Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 20

Cancelled Checks

date: 05/13/2014
amount: \$ 455.00

Account: 882649064
Check Number: 7144

Gardens School of Technology Arts, Inc.
Internal Service Account
3153 Palm Lane
Palm Beach Gardens, FL 33418-1023

JP Morgan Chase Bank, N.A.
Miami, FL 33132
65-4112271

007144

DATE 5/9/2014

FOR DEPOSIT ONLY
\$ 455.00

PAY TO THE ORDER OF
Green Mouse Academy
Four Hundred Fifty-Five and 00/100

Green Mouse Academy

MEMO: Attendance

⑆007144⑆ ⑆267084131⑆ ⑆882649064⑆

574127021551 170851 20140513 00000000082649064
TRN_DEBIT EETIENNE 45500
North Palm Beach 0541 94004 5741 4 0070

FOR DEPOSIT ONLY
ACCELLEARN LLC

post date: 06/04/2014
amount: \$ 178.87

Account: 882649064
Check Number: 7148

Gardens School of Technology Arts, Inc.
Internal Service Account
3153 Palm Lane
Palm Beach Gardens, FL 33418-1023

JP Morgan Chase Bank, N.A.
Miami, FL 33132
65-4112271

007148

DATE 05/21/2014

FOR DEPOSIT ONLY
\$ 178.87

PAY TO THE ORDER OF
Fine K Financial
One Hundred Seventy-Eight and 07/100

Fine K Financial

MEMO: Basketball club

⑆007148⑆ ⑆267084131⑆ ⑆882649064⑆

FOR DEPOSIT ONLY
ACCELLEARN LLC

post date: 06/13/2014
amount: \$ 1400.00

Account: 882649064
Check Number: 7151

Gardens School of Technology Arts, Inc.
Internal Service Account
3153 Palm Lane
Palm Beach Gardens, FL 33418-1023

JP Morgan Chase Bank, N.A.
Miami, FL 33132
65-4112271

007151

DATE 06/10/2014

FOR DEPOSIT ONLY
\$ 1,400.00

PAY TO THE ORDER OF
Green Mouse Academy
One Thousand Four Hundred and 00/100

Green Mouse Academy

MEMO: Attendance

⑆007151⑆ ⑆267084131⑆ ⑆882649064⑆

574127032415 172744 20140613 00000000082649064
TRN_DEBIT EETIENNE 000
North Palm Beach 0541 94004 5741 4 0097

FOR DEPOSIT ONLY
ACCELLEARN LLC

post date: 07/02/2014
amount: \$ 278.75

Account: 882649064
Check Number: 7152

Gardens School of Technology Arts, Inc.
Internal Service Account
3153 Palm Lane
Palm Beach Gardens, FL 33418-1023

JP Morgan Chase Bank, N.A.
Miami, FL 33132
65-4112271

007152

DATE 06/30/2014

FOR DEPOSIT ONLY
\$ 278.75

PAY TO THE ORDER OF
Green Mouse Academy
Two Hundred Seventy-Eight and 75/100

Green Mouse Academy

MEMO: Attendance

⑆007152⑆ ⑆267084131⑆ ⑆882649064⑆

574130038955 110356 20140702 00000000082649064
TRN_DEBIT MBURNEY 27875
North Palm Beach 0541 94004 5741 2 0057

FOR DEPOSIT ONLY
ACCELLEARN LLC

(105)

Post date: 08/26/2013
Amount: \$ 1611.40

Account: 866047129
Check Number: 10586

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1028

JP Morgan Chase Bank, N.A.
Miami, FL 33165
62-84152370

010586

DATE 8/23/2013

PAY TO THE ORDER OF Five K Financial

One Thousand Six Hundred Eleven and 40/100

Five K Financial

MEMO: Reimbursements

\$ 1,611.40

[Signature]

⑆010586⑆ ⑆267084131⑆ ⑆866047129⑆

JP Morgan Chase Bank, N.A.
For Deposit Only
Post Office Box 10000
North Palm Beach, FL 33462

3100020026 09-03-2013 ⑆067013852⑆

Post date: 09/04/2013
Amount: \$ 1200.00

Account: 866047129
Check Number: 10593

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1028

JP Morgan Chase Bank, N.A.
Miami, FL 33165
62-84152370

010593

DATE 9/3/2013

PAY TO THE ORDER OF Covenant Centre, Inc.

One Thousand Two Hundred and 00/100

Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice 6054

\$ 1,200.00

[Signature]

⑆010593⑆ ⑆267084131⑆ ⑆866047129⑆

JP Morgan Chase Bank, N.A.
For Deposit Only
Post Office Box 10000
North Palm Beach, FL 33462

3100020026 09-03-2013 ⑆067013852⑆

Post date: 09/04/2013
Amount: \$ 10833.33

Account: 866047129
Check Number: 10594

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1028

JP Morgan Chase Bank, N.A.
Miami, FL 33165
62-84152370

010594

DATE 9/3/2013

PAY TO THE ORDER OF Covenant Centre, Inc.

Ten Thousand Eight Hundred Thirty-Three and 33/100

Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice 6053

\$ 10,833.33

[Signature]

⑆010594⑆ ⑆267084131⑆ ⑆866047129⑆

JP Morgan Chase Bank, N.A.
For Deposit Only
Post Office Box 10000
North Palm Beach, FL 33462

3100020022 09-03-2013 ⑆067013852⑆

Post date: 09/06/2013
Amount: \$ 2500.00

Account: 866047129
Check Number: 10595

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1028

JP Morgan Chase Bank, N.A.
Miami, FL 33165
62-84152370

010595

DATE 9/3/2013

PAY TO THE ORDER OF Green House Academy

Two Thousand Five Hundred and 00/100

Green House Academy

MEMO: Visual

\$ 2,500.00

[Signature]

⑆010595⑆ ⑆267084131⑆ ⑆866047129⑆

JP Morgan Chase Bank, N.A.
For Deposit Only
Post Office Box 10000
North Palm Beach, FL 33462

5288 12500.00 130905 6260302491 408570XKXN6089

574108123025 1512W04A2616 00000000866047129
TRN_DEBIT J MORRIS3 250000
North Palm Beach 0541 6200000062 0009
Seq # 5298
North Palm Beach

[Signature]

FOR DEPOSIT ONLY
Attention: Mr. [Signature]

Date: 02/05/2014
Amount: \$ 608.03

Account:
Check:

Handwritten: CASH
175K P. CASH
SIGNED BY
J.B.

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1028

JP Morgan Chase Bank, N.A.
Miami, FL 33185
63-4137270

010731

DATE 1/22/2014

FOR DEPOSIT ONLY

Acclisium LLC

\$ 608.03

Six Hundred Eight and 00/100

Acclisium LLC

MEMO: Reimbursement

010731 ⑆ 26 7084 13 1⑆ 866047129⑆

ACCOUNT ADDRESS

156047129

ACCELLEARN LLC

Seq # 1098
North Palm Beach
No New Z

Post date: 02/06/2014
Amount: \$ 1500.00

Account: 866047129
Check Number: 10738

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1028

JP Morgan Chase Bank, N.A.
Miami, FL 33185
63-4137270

010738

DATE 2/4/2014

FOR DEPOSIT ONLY

Covenant Centre, Inc.

\$ 1,500.00

One Thousand Five Hundred and 00/100

Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice E054

010738 ⑆ 26 7084 13 1⑆ 866047129⑆

FOR DEPOSIT ONLY

ACCELLEARN LLC

Post date: 02/06/2014
Amount: \$ 10833.33

Account: 866047129
Check Number: 10739

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1028

JP Morgan Chase Bank, N.A.
Miami, FL 33185
63-4137270

010739

DATE 2/4/2014

FOR DEPOSIT ONLY

Covenant Centre, Inc.

\$ 10,833.33

Ten Thousand Eight Hundred Thirty-Three and 33/100

Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice E053

010739 ⑆ 26 7084 13 1⑆ 866047129⑆

FOR DEPOSIT ONLY

ACCELLEARN LLC

Post date: 02/07/2014
Amount: \$ 2000.00

Account: 866047129
Check Number: 10742

Gardens School of Technology Arts, Inc.
Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1028

JP Morgan Chase Bank, N.A.
Miami, FL 33185
63-4137270

010742

DATE 2/4/2014

FOR DEPOSIT ONLY

Five K Financial

\$ 2,000.00

Two Thousand and 00/100

Five K Financial

MEMO:

010742 ⑆ 26 7084 13 1⑆ 866047129⑆

FOR DEPOSIT ONLY

ACCELLEARN LLC

Date: 02/07/2014
 Amount: \$ 2,500.00

Account: 866047129
 Check Number: 10744

Gardens School of Technology Arts, Inc.
 Operating Account
 8183 Palm Lane
 Palm Beach Gardens, FL 33423-1028

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-84132279

010744

DATE 2/4/2014

PAY TO THE ORDER OF Green Mouse Academy
 \$ 2,500.00

Two Thousand Five Hundred and 00/100

Green Mouse Academy

MEMO: *KK*

⑆010744⑆ ⑆267084131⑆ ⑆866047129⑆

571708058751 124925 20140207 00000000866047129
 TRN_DEBIT KDESOUZA 250000
 Riviera Beach 0117 94004 5717 11 0081

FOR DEPOSIT ONLY
 ACCELLEARN LLC

Post date: 02/12/2014
 Amount: \$ 607.85

Account: 866047129
 Check Number: 10745

Gardens School of Technology Arts, Inc.
 Operating Account
 8183 Palm Lane
 Palm Beach Gardens, FL 33423-1028

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-84132279

010745

DATE 2/11/2014

PAY TO THE ORDER OF Accellearn LLC
 \$ 607.85

Six Hundred Seven and 85/100

Accellearn LLC

MEMO: Reimbursement

⑆010745⑆ ⑆267084131⑆ ⑆866047129⑆

57110045076 15357411141000000000866047129
 TRN_DEBIT TVILLIA3 60785
 North Palm Beach 0541 94004 674012 0004
 Seq # 119
 North Palm Beach

FOR DEPOSIT ONLY
 Accellearn LLC
 EV-99
 ps

Post date: 03/04/2014
 Amount: \$ 2,000.00

Account: 866047129
 Check Number: 10756

Gardens School of Technology Arts, Inc.
 Operating Account
 8183 Palm Lane
 Palm Beach Gardens, FL 33423-1028

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-84132279

010756

DATE 3/3/2014

PAY TO THE ORDER OF Five K Financial
 \$ 2,000.00

Two Thousand and 00/100

Five K Financial

MEMO: *SO*

⑆010756⑆ ⑆267084131⑆ ⑆866047129⑆

57110045076 15357411141000000000866047129
 TRN_DEBIT TVILLIA3 60785
 North Palm Beach 0541 94004 674012 0004
 Seq # 119
 North Palm Beach

Post date: 03/06/2014
 Amount: \$ 2,500.00

Account: 866047129
 Check Number: 10758

Gardens School of Technology Arts, Inc.
 Operating Account
 8183 Palm Lane
 Palm Beach Gardens, FL 33423-1028

JP Morgan Chase Bank, N.A.
 Miami, FL 33185
 63-84132279

010758

DATE 3/3/2014

PAY TO THE ORDER OF Green Mouse Academy
 \$ 2,500.00

Two Thousand Five Hundred and 00/100

Green Mouse Academy

MEMO: *SO*

⑆010758⑆ ⑆267084131⑆ ⑆866047129⑆

574110053821 090406 20140306 00000000866047129
 TRN_DEBIT KENNYXBX 250000
 North Palm Beach 0541 94004 5741 7 0009

FOR DEPOSIT ONLY
 ACCELLEARN LLC

Date: 09/03/2014
Amount: \$ 1095.00

Account: 866047129
Check Number: 10914

Gardens School of Technology Arts, Inc. Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1029

JPMorgan Chase Bank, N.A.
Miami, FL 33185
63-44132971

016914

DATE 09/03/2014

PAY TO THE ORDER OF Covenant Centre, Inc.
\$ 1,095.00

One Thousand Nine-Hundred and 09/100

Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice 5078

⑆010914⑆ ⑆267084131⑆ ⑆866047129⑆

FOR DEPOSIT ONLY
ACCELERATE
MICROFILM
MICROFORM
MICROVIDEO
MICROSLIDE
MICROFILM
MICROFORM
MICROVIDEO
MICROSLIDE

Post date: 09/03/2014
Amount: \$ 10833.33

Account: 866047129
Check Number: 10913

Gardens School of Technology Arts, Inc. Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1029

JPMorgan Chase Bank, N.A.
Miami, FL 33185
63-44132971

016913

DATE 09/03/2014

PAY TO THE ORDER OF Covenant Centre, Inc.
\$ 10,833.33

Ten Thousand Eight Hundred Thirty-Three and 33/100

Covenant Centre, Inc.
9153 Roan Lane
Palm Beach Gardens, FL 33403

MEMO: Invoice 5078

⑆010913⑆ ⑆267084131⑆ ⑆866047129⑆

FOR DEPOSIT ONLY
ACCELERATE
MICROFILM
MICROFORM
MICROVIDEO
MICROSLIDE

Date: 09/08/2014
Amount: \$ 2000.00

Account: 866047129
Check Number: 10915

Gardens School of Technology Arts, Inc. Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1029

JPMorgan Chase Bank, N.A.
Miami, FL 33185
63-44132971

016915

DATE 09/04/2014

PAY TO THE ORDER OF Five K Financial
\$ 2,000.00

Two Thousand and 00/100

Five K Financial

MEMO:

⑆010915⑆ ⑆267084131⑆ ⑆866047129⑆

FOR DEPOSIT ONLY
ACCELERATE
MICROFILM
MICROFORM
MICROVIDEO
MICROSLIDE

Post date: 09/08/2014
Amount: \$ 2500.00

Account: 866047129
Check Number: 10916

Gardens School of Technology Arts, Inc. Operating Account
9153 Roan Lane
Palm Beach Gardens, FL 33403-1029

JPMorgan Chase Bank, N.A.
Miami, FL 33185
63-44132971

016916

DATE 09/04/2014

PAY TO THE ORDER OF Green Mouse Academy
\$ 2,500.00

Two Thousand Five Hundred and 00/100

Green Mouse Academy

MEMO:

⑆010916⑆ ⑆267084131⑆ ⑆866047129⑆

FOR DEPOSIT ONLY
ACCELERATE
MICROFILM
MICROFORM
MICROVIDEO
MICROSLIDE

574122009160 100034 20140908 000000000000000000
PRUSSELL 250000
North Palm Beach 0541 94004 5741 6 0008

Date: 04/05/2016

Amount: \$ 2000.00

Gardens School of Technology Arts, Inc.
 Operating Account
 3153 Palm Lane
 Palm Beach Gardens, FL 33409-1128

JPMorgan Chase Bank, N.A.
 Miami, FL 33148
 25-4112272

011473

DATE 04/05/2016

PAID TO THE ORDER OF
 Five K Financial

TWO THOUSAND AND 00/100

Five K Financial

MEMO: *Five K Financial*

⑆011473⑆ 4257084133⑆ 866047129⑆

Post date: 04/06/2016

Amount: \$ 570.00

Gardens School of Technology Arts, Inc.
 Operating Account
 3153 Palm Lane
 Palm Beach Gardens, FL 33409-1128

JPMorgan Chase Bank, N.A.
 Miami, FL 33148
 25-4112272

011477

DATE 04/06/2016

PAID TO THE ORDER OF
 Covenant Care, Inc.

Five Hundred Seventy and 00/100

Covenant Care, Inc.
 9153 Roan Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 6117

⑆011477⑆ 4257084133⑆ 866047129⑆

PAID TO THE ORDER OF
 COVENANT CARE, INC.
 9153 ROAN LANE
 PALM BEACH GARDENS, FL 33403

Post date: 04/06/2016

Amount: \$ 10833.33

Gardens School of Technology Arts, Inc.
 Operating Account
 3153 Palm Lane
 Palm Beach Gardens, FL 33409-1128

JPMorgan Chase Bank, N.A.
 Miami, FL 33148
 25-4112272

011478

DATE 04/06/2016

PAID TO THE ORDER OF
 Covenant Care, Inc.

Ten Thousand Eight Hundred Thirty-Three and 33/100

Covenant Care, Inc.
 9153 Roan Lane
 Palm Beach Gardens, FL 33403

MEMO: Invoice 6118

⑆011478⑆ 4257084133⑆ 866047129⑆

PAID TO THE ORDER OF
 COVENANT CARE, INC.
 9153 ROAN LANE
 PALM BEACH GARDENS, FL 33403

Post date: 04/27/2016

Amount: \$ 2923.59

Gardens School of Technology Arts, Inc.
 Operating Account
 3153 Palm Lane
 Palm Beach Gardens, FL 33409-1128

JPMorgan Chase Bank, N.A.
 Miami, FL 33148
 25-4112272

011485

DATE 04/27/2016

PAID TO THE ORDER OF
 Cedar & Hearing

Two Thousand Nine Hundred Twenty-Three and 59/100

Cedar & Hearing
 1334 Colonnade Ln
 Suite 1
 Jupiter, FL 33458

MEMO: Invoice 2132

⑆011485⑆ 4257084133⑆ 866047129⑆

PAID TO THE ORDER OF
 CEDAR & HEARING
 1334 COLONNADE LN
 SUITE 1
 JUPITER, FL 33458

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 21

Governing Board Minutes

June 29, 2011



Governing Board Minutes
June 29, 2011
5:30pm – 7:30pm

I. Call to Order by President, Debra Moore

a. Roll Call

In attendance:

Debra Moore (President)

Erik Benz (Secretary)

Misi Stonecipher,

Shane Vander Kooi

Dave Menkhaus (invited nominee)

Absent:

Joshua Wiggins (Treasurer)

II. Movement to Approve Previous Meeting's Minutes

Motion: Debra, 2nd: Shane, passed all in favor

III. Reports

a. Academics (presented by Shane on behalf of Lana)

i. Lana relocating to Florida by July 6, currently volunteering as Acting Director of Academics

ii. A short list of selected teachers (interviewed by Lana and Shane) has been created and they are ready to be hired

iii. The ESE teacher is currently volunteering his time to evaluate students with IEPs and other school services.

iv. Committees are being formed by the prospective teacher group to compile curriculum resources and furniture needs for the classrooms.

v. The daily schedule was discussed with regards to specials and core subject times

b. Facilities Update (presented by Erik)

i. Report was given regarding the status of the Land Use amendment for zoning and Permits. Land use has been approved by the Board of County Commissioners and finalization for the release of permits for interior and exterior renovations should be soon.

c. Finance and Operations Update (presented by Shane)

i. Shane expressed concern over the current networking capabilities to accommodate school technology needs.

ii. One of the parents has been assisting Shane and Jeanne in setting up Google Apps.



- iii. PBAU will help with Network Architecture as a complimentary service
- iv. Grant money can cover some networking infrastructure costs
- v. The discussion for the update of budgetary items was deferred to the Budget review agenda item for this meeting
- vi. Shane continued to explain the CPS Planning and Implementation Grant, discussing the challenge in the receiving of these funds based on the timeliness of the allocation and the limitations placed on allowable expense.

IV. Special Orders

a. Board Transition

- i. Debra moved to use June 30, 2011 as the term limit for Shane and Erik due to upcoming potential conflicts of interest and to ensure compliance with Florida Statute with respect to Charter School regulations. Misi 2nded the motion. Vote 4-0 in the affirmative.
- ii. Debra then moved to accept Dave Menkhous as a board member, 2nd: Misi, Motion passed 4-0 (Dave did not vote)
- iii. Discussion as to needing to fill Secretary role and possibly re-evaluating Treasurer role

b. Approval of CSP Grant Budget for submission on July 1.

- i. Account items were reviewed and discussion was given to the flexibility of making adjustments between and within the accounting codes.
- ii. Motion to accept: Debra, 2nd: Erik, Motion Passed 5-0

c. Lease Agreement

- i. The lease with Covenant Centre International to provide facilities for the Charter School was discussed.
- ii. Specific consideration was given to the labeling system for assets, insurance subordination, Dave suggested some language change concerning the rental amounts [*has been changed to reflect the change*].
- iii. Motion to approve: Dave, 2nd: Deb, Motion passed 4-0 (Erik recused himself from the vote)

d. Budget Approval

- i. During the budget review, notes were given concerning the special needs that small schools will have, the origination of the budget, and how certain items such as custodial contracts could be placed within the lease agreement.
- ii. Motion to approve: Deb, 2nd: Dave, Motion passes 5-0

e. Approval of Accountant

- i. Matt Roncace is a CPA who volunteered with charter application budget development and throughout the grant application process.
- ii. Motion to approve Matt as the school's accountant for board training and future operations.
- iii. Motion: Deb, 2nd: Misi, Motion passes 4-0 (Erik recuses himself from vote)

f. Approval of Attorney

- i. Kathleen Shorenberg has worked extensively for the school for the past several months. She is familiar with charter school law and operations and came highly recommended from other charter schools.
- ii. Motion is to approve Kathleen for board training and future operations
- iii. Motion: Dave, 2nd: Deb, Motion passes 5-0

g. Insurance

- i. Shane informed that he was still gathering quotes for insurance (seeking to hold off executing a policy in order to qualify the expense during the CSP Planning Phase of the grant).

- ii. Motion is to grant Shane authority to accept the lowest and best bid as long as it is under \$15,000 for the year and fully meets the insurance requirements stipulated in the Charter Agreement.
- iii. Motion: Dave, 2nd: Deb, Motion passes 5-0
- h. Appointment of Co-Administrators
 - i. Shane and Lana Thormodsgaard have been volunteering as volunteer Acting Directors and both were involved in the development/review of the school's Charter application.
 - ii. Noted that Shane would be contracted as a 1099 employee and Lana would be hired as a regular employee.
 - iii. Motion is to appoint Shane and Lana to the school's Co-Administrator roles as defined in the Charter Contract and Charter Application, effectively coming on the payroll for budget purposes July 1, 2011.
 - iv. Motion: Deb, 2nd: Misi, Motion passes 4-0 (Shane recused himself from vote)
 - i. Approval of Policies (specific to requirements of CSP Grant)
 - i. Discussion that policies would be subject to review by Kathleen Schoenberg and by CSP Grant Specialist to ensure compliance with state and federal regulations. Policies included: Conflict of Interest, Procurement, Admission & Lottery.
 - ii. Motion is to approve policies
 - iii. Motion: Dave, 2nd: Deb, Motion passes 5-0
 - j. Authorization for Co-Administrators to execute required documents specific to meeting the requirements of the CSP grant award process; to meeting requirements of the Opening School Checklist items for the PBCSD Charter Department; and to hire the initial instructional and non-instructional staff per the approved year one budget.
 - i. Motion: Deb, 2nd: Dave, Motion passes 4-0 (Shane recused himself from vote)

V. Open Discussion

- a. Discussion involved the process for the board to be fingerprinted, trained and timeline to do so.
- b. Preparations for upcoming training sessions to be put in place.
- c. Next meeting date will be set after mid July (more detail coming per CSP grant process)
- d. Motion to Adjourn: Deb, 2nd: Dave, Motion passes 5-0

Attachments to the Agenda

- 1 Attachment: Opening School Checklist, PBCSD Charter School Department
- 2 Attachment: DOE 101s Planning and Implementation 1 Budget Narratives, CSP Grant
- 3 Attachment: Lease Agreement Draft with Covenant Centre International
- 4 Attachment: Startup/First Year Budget, July 1, 2011-June 30, 2012
- 5 Attachment: Drafts: Conflict of Interest Policy, Procurement Policy, Admissions Policy

Agenda
Board Of Directors Meeting
Wednesday, June 29, 2011, 5:00 PM
Gardens School of Technology Arts, Inc.
Director's Office 9153 Roan Lane, Palm Beach Gardens, FL 33403

Call to Order

I. Roll Call

II. Approval of the Minutes

A. Board Meeting on _____

1. Resignation of Marilyn Stepnoski
2. Appointment of Miss Stonecipher
3. Approval of Charter Agreement
4. Approval of CSP Grant Application
5. Authorization for Erik and Shane to proceed with School Opening Process

III. Reports

- A. Academics
- B. Operations/Finance
- C. Facilities
- D. Opening School Checklist¹

IV. Special Orders

- A. Board Transition (Founding Board to Operating Board)
- B. Approval of CSP Planning & Implementation Budget²
- C. Approval of Lease Agreement³
- D. Approval of Budget⁴
- E. Approval of Accountant
- F. Approval of Attorney
- G. Approval of Insurance
- H. Approval of Appointments
 1. Director of Innovation & Operations
 2. Director of Academics
- I. Approval of Policies: Conflict of Interest, Procurement, Admissions⁵
- J. Authorization to execute documents related to the above and hire

V. Open Discussion - Due

- A. Governance Training
- B. Background Checks and Fingerprinting (\$90)
- C. Approvals of Policy Manuals, CSP Grant Required Items, Various Employment Contracts/Letters

1 Attachment: Opening School Checklist, PBCSD Charter School Department

2 Attachment: DOE 101s Planning and Implementation 1 Budget Narratives, CSP Grant

3 Attachment: Lease Agreement Draft with Covenant Centre International

4 Attachment: Startup/First Year Budget, July 1, 2011-June 30, 2012

5 Attachment: Drafts: Conflict of Interest Policy, Procurement Policy, Admissions Policy

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 22

School Climate Survey
School Year 2016 - 2017

School Climate Survey - School Year 2016-17

Tuesday, December 06, 2016


Powered by

114

Total Responses

Date Created: Tuesday, October 25, 2016

Complete Responses: 114


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12/8/16
as

Q1: What is your student's current grade?

Answered: 114 Skipped: 0


Answer Choices	Responses	
K	10.53%	12
1	8.77%	10
2	14.91%	17
3	16.67%	19
4	14.91%	17
5	4.39%	5
6	12.28%	14
7	14.91%	17
8	2.63%	3
Total		114

Powered by  SurveyMonkey

Q2: Parents enroll their children at GSOTA for various reasons. What were your top three reasons for choosing GSOTA for this student?

Answered: 113 Skipped: 1

	Technology arts infusion	Core academic program	Good reputation	Size of school (small)	Location of school	Alternative to zoned school	Friends were enrolled	Total
Top Reason #1	45.13% 51	7.08% 8	10.62% 12	20.35% 23	5.31% 6	10.62% 12	0.88% 1	113
Top Reason #2	22.32% 25	20.54% 23	6.25% 7	29.46% 33	9.82% 11	8.93% 10	2.68% 3	112
Top Reason #3	12.61% 14	17.12% 19	15.32% 17	26.13% 29	11.71% 13	12.61% 14	4.50% 5	111

Powered by  SurveyMonkey

Q3: In general, how do you feel your family's experience at GSOTA has met your expectations so far? (You will get to provide more details in rest of the survey.)

Answered: 112 Skipped: 2

Answer Choices	Responses	
Everything I expected and more	30.36%	34
It's been really good so far	50.89%	57
Expectations have been met	14.29%	16
Not exactly what I expected	4.46%	5
I'm pretty disappointed	0.00%	0
Total		112

Powered by SurveyMonkey

Q4: Let us know how we're doing with communication:

Answered: 112 Skipped: 2


	Outstanding	Really good	Satisfactory	Poor	Deficient	Total
Communication regarding student academic progress	44.64% 50	41.07% 46	12.50% 14	1.79% 2	0.00% 0	112
Communication regarding student technology arts projects	33.64% 37	39.09% 43	20.91% 23	6.36% 7	0.00% 0	110
Communication regarding school events	50.00% 56	41.07% 46	8.04% 9	0.89% 1	0.00% 0	112
Timeliness of response when parent communicates concerns	60.00% 66	31.82% 35	7.27% 8	0.00% 0	0.91% 1	110
Effectiveness resolving parent concerns	51.82% 57	35.45% 39	9.09% 10	2.73% 3	0.91% 1	110
Accessibility of teachers/admin as needed	57.66% 64	35.14% 39	6.31% 7	0.90% 1	0.00% 0	111

Powered by SurveyMonkey

Q6: How do you feel about this student's academic progress:


Answered: 113 Skipped: 1

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
My child learns well in the GSOTA environment.	45.13% 51	50.44% 57	3.54% 4	0.88% 1	0.00% 0	113
My child is reaching his/her academic learning potential.	39.82% 45	44.25% 50	13.27% 15	2.65% 3	0.00% 0	113
My child receives support when struggling in a subject.	37.17% 42	48.67% 55	13.27% 15	0.88% 1	0.00% 0	113
I understand the assignment expectations for my child's classes.	38.05% 43	48.67% 55	10.62% 12	2.65% 3	0.00% 0	113
I understand the grading procedures for my child's classes.	40.71% 46	46.02% 52	12.39% 14	0.88% 1	0.00% 0	113
When I email questions to teachers, I receive timely responses.	59.82% 67	36.61% 41	3.57% 4	0.00% 0	0.00% 0	112

Powered by  SurveyMonkey**Q7: If you indicated you Disagree or Strongly Disagree with an academic area above, please mark the subject(s) or class(es) for which you have concerns.**

Answered: 11 Skipped: 103


Answer Choices	Responses
Reading	36.36% 4
Writing	45.45% 5
Math	54.55% 6
Science	36.36% 4
Social Studies	45.45% 5
Music	9.09% 1
PE	9.09% 1
ESE Services	9.09% 1
Total Respondents: 11	

Powered by  SurveyMonkey

Q8: How do you feel about this student's technology arts experiences:

Answered: 113 Skipped: 1


	Strongly Agree	Agree	I'm Not Sure What Tech Is Used	Disagree	Strongly Disagree	Total
My child uses a variety of technology tools at GSOTA.	30.97% 35	48.67% 55	19.47% 22	0.88% 1	0.00% 0	113
When I ask my child about tech arts, I can tell he/she is learning unique programming.	26.55% 30	47.79% 54	15.93% 18	9.73% 11	0.00% 0	113
My child has tech arts opportunities here that we wouldn't have elsewhere.	31.25% 35	48.21% 54	13.39% 15	6.25% 7	0.89% 1	112

Powered by  SurveyMonkey

Q10: How do you feel about the GSOTA climate and culture:

Answered: 113 Skipped: 1


	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
GSOTA provides a positive, nurturing environment for students.	46.02% 52	48.67% 55	3.54% 4	1.77% 2	0.00% 0	113
GSOTA welcomes and encourages parent participation.	55.75% 63	40.71% 46	3.54% 4	0.00% 0	0.00% 0	113
GSOTA provides a non-discriminatory, equal-treatment learning setting.	48.67% 55	45.13% 51	6.19% 7	0.00% 0	0.00% 0	113
My child is comfortable going to school each day.	53.98% 61	38.94% 44	4.42% 5	2.65% 3	0.00% 0	113
My child has healthy, positive friendships at school.	41.59% 47	44.25% 50	9.73% 11	4.42% 5	0.00% 0	113
My child has positive relationships with his/her teachers.	53.10% 60	40.71% 46	5.31% 6	0.88% 1	0.00% 0	113

Powered by  SurveyMonkey

Q12: How often do you, the parent, log in to Jupiter Ed?

Answered: 113 Skipped: 1


Answer Choices	Responses	
Daily	43.36%	49
Weekly	47.79%	54
Seldom	6.19%	7
Do not know how to log in to Jupiter Ed	2.65%	3
Total		113

Powered by  SurveyMonkey

Q13: How often do you check your email to read school communications?

Answered: 113 Skipped: 1


Answer Choices	Responses	
Daily	87.61%	99
Weekly	11.50%	13
Seldom	0.88%	1
Do not receive	0.00%	0
Total		113

Powered by  SurveyMonkey

Q14: How often do you read the weekly school e-newsletter?

Answered: 113 Skipped: 1


Answer Choices	Responses	
Always	68.14%	77
Sometimes	30.09%	34
Never	0.00%	0
Do not receive	1.77%	2
Total		113

Powered by  SurveyMonkey

Q15: How often do you view the GSOTA Facebook Page?

Answered: 113 Skipped: 1

Answer Choices	Responses	
Daily	4.42%	5
Weekly	21.24%	24
Seldom	42.48%	48
Never	31.86%	36
Total		113

Powered by  SurveyMonkey

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 23

GSOTA Expansion Photos of Current
Property Sites of New Buildings
Artist's Rendering on the
New Site Plan and Buildings



BLDG 'B'

BLDG 'C'

BLDG 'D'

BLDG 'E'

BLDG 'A'

PLAYGROUND

Gardens School OF TECHNOLOGY ARTS



BUILDING 'C'
NORTH ELEVATION

MATERIALS LEGEND

- | | |
|---|---------------------------------------|
|  | HARDIE PANEL STUCCO PAINT COLOR (TO M |
|  | HARDIE PANEL SIERRA PAINT COLOR (TO M |
|  | HARDIE CORNER/TOP TRIM PAINT COLOR (T |
|  | PAINTED STEEL ROOF PAINT COLOR (TO MA |



BUILDING 'D'
 NORTH ELEVATION



BUILDING 'E'
 NORTH ELEVATION

MATERIALS LEGEND

-  HARDIE PANEL STUCCO PAINT COLOR (
-  HARDIE PANEL SIERRA PAINT COLOR (I
-  HARDIE CORNER/TOP TRIM PAINT COL
-  PAINTED STEEL ROOF PAINT COLOR (TC



Courtyard



Site of Building E



Site of Building C



Site of Building D

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 24

Letter from GSOTA to PBCSD Charter
Department

Dated 07/22/2015



Gardens School of Technology Arts

A Tuition-Free Public Charter School – Educating Young Innovators for the 21st Century

To the attention of the Palm Beach County Schools Department of Charter Schools,

This letter serves to inform your office that Gardens School of Technology Arts will be seeking renewal of our current charter school contract. As this is the last year of a five year contact, we are affirming our intention, on behalf of Gardens School of Technology Arts, to participate in the contract renewal process, including the comprehensive program review that will be scheduled early in the upcoming school year.

In seeking the renewal of Gardens School of Technology Arts' charter, we would like to engage in discussion and initiate a procedure, either before or during our scheduled comprehensive program review, that will culminate in a ten year contract renewal between our school and the Palm Beach County Public School district.

In response to the request that information regarding planned changes in program design or curriculum be included in our reply, please note that our new contract will reflect a change in the instructional delivery model based on Project CHILD, enhanced to:

- K-5 teacher-team-based model, using State-adopted materials, with
 - all teachers delivering reading and writing instruction for a designated grade level, using State-adopted materials, and
 - subject-specific delivery of math, science and social studies for three grade level clusters (K-2 or 3-5)
- Middle school instruction (6-8) delivered by subject-area-specific teachers using State-adopted materials

Evident of our consistent growth from inception to this point, our exceptional program reviews, and our valued partnership with District personnel, we look forward to collaborating with you during this contract renewal process.

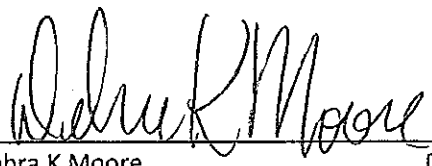
Please designate Dr. Kovacs as your primary contact for renewal activities, with a copy to Ms. Moore on any correspondence.

Sincerely,

 7/22/15

Dr. Kevin Kovacs
Director of Academics (Principal)

Date

 7/22/15

Debra K Moore
Governing Board President

Date

Gardens School of Technology Arts
9153 Roan Lane
Palm Beach Gardens, FL. 33403
561-290-7661



Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 25

GSOTA Board Meeting Minutes

September 17, 2012

Gardens School of Technology Arts (SoTA) Meeting Minutes

Meeting Type	Board Meeting	Date	September 17, 2012
Facilitator		Time	5:30 PM
Scribe	<i>Heath</i>	Location	GSoTA Tech Lab
Attendees	Debra Moore - Present David Menkhaus - Present David Reyes - Present Lisa Cole - Present Lana Thormodsgaard - Present Shane Vander Kooi - Not present		
Guests	Lori Bush		

Key Points Discussed	
Topic	Highlights
Academic Report	Given by Lana Thormodsgaard, Director of Academics. Ms. Thormodsgaard reviewed with the Board and discussed upcoming curriculum nights. She also reviewed recent student diagnostic tests and potential uses. Although SOTA does not offer a "gifted program" per se, the CHILD teaching method in effect offers many of the same benefits in a smaller setting.
Operations / Finance Report	Given by Debra Moore in Mr. Vander Kooi's absence. School is at 98% of capacity and well within Budget. SOTA is moving ahead with investigation of addition of portables for future expansion.
Governance Report	Given by Chairperson Moore Lori Bush, a local business owner and supporter of SOTA, has expressed willingness to serve on the Board. Discussion with Ms. Bush ensued.

Key Decisions Made (Board Meetings)			
Item	Motion to Approve by (Name):	Seconded by (name):	Vote outcome (Approve / Disapprove by name):
Approval of Minutes (August 14, 2012 Board Meeting) Board noted need to amend draft minutes to indicate that the Board went into closed session regarding potential legal issues	Debra Moore	David Reyes	Approved unanimously to accept minutes as amended
Approval of Financial Statements	Debra Moore	David Reyes	Unanimously approved
Approval of the Fund Allocation Policy	Debra Moore	David Reyes	Unanimously approved
Approval of the Lottery Policy as amended	Debra Moore	David J. Menkhaus	Unanimously approved
Approval of the Final Auditor's Report	Debra Moore	David Reyes	Unanimously approved
Election of Lori Bush to fill vacant Board Seat	Debra Moore	David Reyes	Unanimously approved

Key Decisions Made (Administrative Meetings)	
Item	Decision
Board meeting dates – Second Monday of each month at 5:45; no January meeting; June annual meeting. Motion by Moore, seconded by Menkhaus	Unanimously approved
Adjournment at 6:15. Motion by Moore, seconded by Reyes	Unanimously approved



Gardens School of Technology Arts

Educating Young Innovators for the 21st Century

Governing Board Meeting

Date: ~~Aug~~ ^{SEPT} 17/12

List of Attendees	Signature
Debra K. Moore, President (Acting Treasurer)	
David Menkhaus (Acting Secretary)	
David Reyes, Board Member (Parent)	
Lisa Cole, Board Member (Parent, PTO Volunteer Coordinator)	
Lana Thormodsgaard, Director of Academics	
Shane Vander Kooi, Director Innovation/Operations	ABSENT
Lori Busch, Prospective Board Member	



Agenda
Board of Directors Meeting
Monday, September 17, 2012, 5:30 PM
Gardens School of Technology Arts, Inc.
Office: 9153 Roan Lane, Palm Beach Gardens, FL 33403

Call to Order

I. Roll Call

II. Approval of the Minutes from August 14, 2012 meeting ¹

III. Reports ²

- A. Academics
- B. Operations/Finance
- C. Governance

IV. Special Orders

- A. Approval of the Financial Statements ³
- B. Approval of Fund Allocation Policy ⁴
- C. Approval of Lottery Policy and Procedure REV ⁵
- D. Vote to approve proposed new Board Member, Lori Busch
- E. Approval of Financial Statements with Auditor's Reports SY2012 ⁶

V. Discussion

- A. Board Meeting Dates
- B. School Expansion Plans
- C.

VI. Open Discussion – Public Comments

VII. Adjournment

¹ Sent by Dave Menkhaus (Aug 28, 2012). Revised and sent by Deb Moore (Aug 28, 2012)

² Sent by Shane Vander Kooi (Sep 14, 2012)

³ Sent by Shane Vander Kooi (Sep 14, 2012)

⁴ Sent by Debra Moore (Sep 4, 2012)

⁵ Sent by Debra Moore (Sep 4, 2012)

⁶ Sent by Shane Vander Kooi (Sep 14, 2012)

Case # 16-474

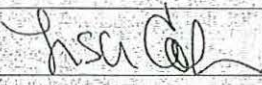
Gardens School of Technology Arts, Inc.

Exhibit # 26

GSOTA Board Meeting Minutes

November 12, 2012

Gardens School of Technology Arts (SoTA) Board Meeting Minutes

Meeting Type	Board Meeting	Date	November 12, 2012
Facilitator	Debra Moore	Scheduled Start Time	5:50 PM
Scribe	Lisa Cole 	Location	SoTA
Attendees	Debra Moore - Present David Menkhaus - Not Present David Reyes - Present Lisa Cole - Present Lori Alfrey - Not Present Lana Thormodsgaard - Present Shane Vander Kooi - Not Present		
Guests	Eric Benz		

Meeting Called to Order: 5:50 PM

Key Points Discussed	
Topic	Highlights
Academic Report	We need a jump of 53 points; now targeting kids where they need help. Winter Diagnostics in December. Kids are in intensive tutoring and Saturday school. Kagan training has been going on. Lana has been doing formal observations with new teachers, implementing new materials from Kagan. Report cards have gone out for middle school.
Operations / Finance Report	Full 178 FTE funding for Feb. 100% enrollment. We are in the black.
Governance Report	Lori needs to complete governance training.
School Expansion Plans	Eric Benz explained handshake agreement to move forward with Mr. Kaplan. He's interested in helping the church acquire land, 30,000 square feet. Sent bldg. cost ROI—numbers positive; addressing issues, variables to see if there's flexibility. Seeking possible anchor tenants to help subsidize. Church will be primary landowner going forward. We are not going to do portables next year. Would have stretched us financially. We are not convinced we do not have the square footage to accommodate three more classes. Expand within current footprint. Our charter is for 364 students. Staff is onboard. Website Operation Blue Box.
360 Evaluation	Teachers can evaluate peers. Administrative staff can do evaluation as well. Deb setting up meeting with Shane (within two weeks) to work on 360 questions. Need to find out from Lana who all employees are. Have the opportunity to evaluate everyone they work with. Anonymous. Want to do

Key Points Discussed	
Topic	Highlights
	before break--Encouragement, praise, and positive comments. Take summary average score on all questions. Report per employee--summary results will go to employee and supervisor. Lana and Shane's will go to the Board.
Charter School Conference	David Reyes and Shane will attend 11/15/12

Key Decisions Made (Board Meetings)			
Item	Motion to Approve by (Name):	Seconded by (name):	Vote outcome (Approve / Disapprove by name):
Motion to approve Financials.	Debra Moore	David Reyes	Debra Moore -- Approved David Reyes -- Approved Lisa Cole -- Approved
Motion to approve School Accountability Report	Debra Moore	David Reyes	Debra Moore -- Approved David Reyes -- Approved Lisa Cole -- Approved
Motion to approve 360 Evaluation	Debra Moore	David Reyes	Debra Moore --Approved David Reyes --Approved

Key Decisions Made (Board Meetings)			
Item	Motion to Approve by (Name):	Seconded by (name):	Vote outcome (Approve / Disapprove by name):

Action Items		
Action Item(s)	Owner	Target Date

Other Notes	
Topic	Highlights
Public Comments	No public comments
Meeting adjourned at 6:25PM	



Gardens School of Technology Arts

Educating Young Innovators for the 21st Century

Governing Board Meeting

Date: Monday, Nov. 12, 2012

List of Attendees	Signature
Debra K. Moore, President (Acting Treasurer)	
David Menkhaus (Acting Secretary)	ABSENT
David Reyes, Board Member (Parent)	
Lisa Cole, Board Member (Parent Liaison)	
Lori Alfrey, Board Member	ABSENT
Lana Thormodsgaard, Director of Academics	
Shane Vander Kooi, Director Innovation/Operations	(SKYPE) ABSENT
ERIK BENZ, GUEST	



Agenda
Board of Directors Meeting
Monday, Nov 12, 2012, 5:45 PM
Gardens School of Technology Arts, Inc.
Office: 9153 Roan Lane, Palm Beach Gardens, FL 33403

Call to Order

I. Roll Call

II. Approval of the Minutes from Oct 8, 2012 meeting ¹

III. Reports ²

- A. Academics
- B. Operations/Finance
- C. Governance

IV. Special Orders

- A. Approval of the Financial Statements ³
- B. Approval of School Accountability Report ⁴
- C.

V. Discussion

- A. School Expansion Plans
- B.
- C.

VI. Open Discussion – Public Comments

VII. Adjournment

¹ Sent by Lisa Cole (Nov X, 2012)

² Sent by Shane Vander Kooi (Nov X, 2012)

³ Sent by Shane Vander Kooi (Nov X, 2012)

⁴ Sent by Shane Vander Kooi (Nov X, 2012)

Case # 16-474


Gardens School of Technology Arts, Inc.

Exhibit # 27

GSOTA Board Meeting Minutes

October 8, 2012

Gardens School of Technology Arts (SoTA) Board Meeting Minutes

Meeting Type	Board Meeting	Date	October 8, 2012
Facilitator	Debra Moore	Scheduled Start Time	5:45 PM
Scribe	Lisa Cole 	Location	SoTA
Attendees	Debra Moore - Present David Menkhaus - Not Present David Reyes - Present Lisa Cole - Present Lori Alfrey - Present Lana Thormodsgaard - Present Shane Vander Kooi - Present		
Guests	None		

Meeting Called to Order: 5:45 PM

Key Points Discussed	
Topic	Highlights
Academic Report	Kagan strategist successful, implemented in classroom. We've been assigned our own instructional leadership team from the District; pairing up with appropriate teachers.
Operations / Finance Report	Special grant funds came through. Can start spending money for some things. FTE week—99% capacity. Only two spots, possibly one.
Governance Report	Lori has a governance training to do and going for badge next week.
School Expansion Plans	Operation Blue Box—CCI/SOTA partners outgrown our space—cannot grow without this expansion plan; land acquisition and school expansion. Discussed and would like to get green light to approve and use discussion. Bringing in Kaplan early learning group—coming in two weeks to tour school and see about available land. Hal Kaplan interested in multigenerational learning center. David will sit in on meeting. Operationbluebox.com info posted on website; give details.
Incentive Plan	Incentive plan for bring Patricia Sasson on, told her there would be on—grow fee-based programs and go after businesses. Won't come out of regular funds, but special funds.
Make-up Days	School district of Palm Beach County will not have make up days for T.S. Isaac. October 11 will now be a full day instead of an early release day. Board agreed to follow amendments.

Key Points Discussed	
Topic	Highlights
G-SOTA PTO	Left over PTO funds—school wants to use for a covered walkway. PTO Efforts and funds up to a certain threshold—Board would be involved to invite new PTO President, Amanda Baldwin to one of our Board meetings. SAC Board—need to implement and should pursue this year or next.

Key Decisions Made (Board Meetings)			
Item	Motion to Approve by (Name):	Seconded by (name):	Vote outcome (Approve / Disapprove by name):
Motion to approve Financials.	Debra Moore	David Reyes	Debra Moore – Approved David Reyes – Approved Lisa Cole – Approved Lori Alfrey – Approved
School Improvement Plan—Goals to improve school rating. Motion to approve discussions	Debra Moore	David Reyes	Debra Moore – Approved David Reyes – Approved Lisa Cole – Approved Lori Alfrey – Approved
Motion to release bonuses (second payment).	Debra Moore	David Reyes	Debra Moore –Approved David Reyes –Approved Lisa Cole –Approved Lori Alfrey –Approved

Action Items		
Action Item(s)	Owner	Target Date
Approval of Shane to finalize incentive pay for employee and account for in amended budget.	Shane	

Other Notes	
Topic	Highlights
Public Comments	No public comments
Meeting adjourned at 7:00 PM	



Gardens School of Technology Arts

Educating Young Innovators for the 21st Century

Governing Board Meeting

Date: Oct 8, 2012

List of Attendees	Signature
Debra K. Moore, President (Acting Treasurer)	
David Menkhaus (Acting Secretary)	- Absent
David Reyes, Board Member (Parent)	
Lisa Cole, Board Member (Parent Liaison)	
Lori Alfrey, Board Member	
Lana Thormodsgaard, Director of Academics	
Shane Vander Kooi, Director Innovation/Operations	



Agenda
Board of Directors Meeting
Monday, Oct 8, 2012, 5:45 PM
Gardens School of Technology Arts, Inc.
Office: 9153 Roan Lane, Palm Beach Gardens, FL 33403

Call to Order

I. Roll Call

II. Approval of the Minutes from Sept 17, 2012 meeting ¹

III. Reports ²

- A. Academics
- B. Operations/Finance
- C. Governance

IV. Special Orders

- A. Approval of the Financial Statements ³
- B. Approval of School Improvement Plan ⁴
- C. Approval to Release Final Bonuses for 2011-2012

V. Discussion

- A. School Expansion Plans
- B. Incentive Plan
- C. Make up days

VI. Open Discussion – Public Comments

VII. Adjournment

¹ Sent by Dave Menkhaus (Oct 4, 2012)

² Sent by Shane Vander Kooi (Oct 5, 2012)

³ Sent by Shane Vander Kooi (Oct 5, 2012)

⁴ Sent by Shane Vander Kooi (Oct 5, 2012)

Case # 16-474


Gardens School of Technology Arts, Inc.

Exhibit # 28


GSOTA Board Meeting Minutes

December 10, 2012

Gardens School of Technology Arts (SoTA) Board Meeting Minutes

Meeting Type	Board Meeting	Date	12/10/12
Facilitator	Debra Moore	Scheduled Start Time	5:45 PM
Scribe	Lisa Cole 	Location	SoTA
Attendees	Debra Moore – Present David Menkhaus - Not Present David Reyes - Present Lisa Cole - Present Lori Alfrey – Present Lana Thormodsgaard - Present Shane Vander Kooi – Present Eric Benz - Present		
Guests	None		

Meeting Called to Order: 5:50 PM

Key Points Discussed	
Topic	Highlights
Academic Report	5 th grade diagnostic score 11.52% increase. Nine students in RTI for assistance. Lana observed Ms. Philbin—will have G-SOTA science fair next trimester. Winter diagnostic scores in January.
Operations / Finance Report	Process IDE grant—CSP grant. In process of reconciling 3 rd installment. \$8k budgeted is now 10k. Patricia is planning school trips. Operating under budget expenses. Revenue up until Nov. Now, give or take, breaking even, maybe even a little in the red. Adding benefits, stipends for staff endorsements. Paid for Dec. at 100%. Shane suggests not changing budget until Feb. There's a 4724 surplus—not all expenses have come through. Enrollment is at 174 or 175. Lost one student, unhappy, couldn't serve. Two moved away. 
Risk Assessment	Strategic planning session—more meeting times. Evaluating Board performance and define priorities—school climate change, financial performance, 21 st century self-assessment needs rubric. AYP, adequate yearly process has been eliminated. We don't have a tool or process to see if we are meeting our vision. Giving ourselves a report card. Need to recruit doable number of students. Assess future of school. Huge investment. Need to sit down as a Board and provide feedback to move forward. Planning Board meeting Workshop offsite. Looking at dates.
Facilities	Eric met with Hedrick Bros. Built Oxbridge. Discussed bringing down cost of construction so investor will feel comfortable w/ numbers. Putting a plan together so we will know step by step process. Sending us price points so we can do budget. Doing ground work for free. Using people in the know is going to be better.

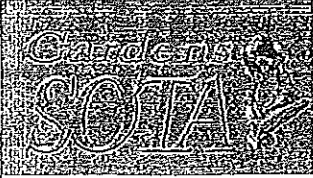
Key Points Discussed	
Topic	Highlights
360 degree feedback	Kicked off 360 degree feedback. 51 came in today—20% done already. Shane sent questions in document. No names on person giving feedback. Deb will create report on each person and give to Shane and Lana. File server up and running.
Charter Compliance Review	Charter Compliance Review from district with Pam McCoy. New person, Marianne Williams—good rapport with Lana and Shane when they met with her. ESE, financial reviews. Have had two non-compliances to fix— items that have to go into terms and logging meeting with respect to ESE.
Meeting minutes	Need our meeting minutes to be sent to District.

Key Decisions Made (Board Meetings)			
Item	Motion to Approve by (Name):	Seconded by (name):	Vote outcome (Approve / Disapprove by name):
Motion to approve Financials.	Deb Moore	David Reyes	Debra Moore – Approved David Reyes – Approved Lisa Cole – Approved Lori Alfrey – Approved
Motion to Approve minutes for Nov 12	Deb Moore	David Reyes	Lisa Cole Approved Lori Alfrey Approved

YC

Action Items		
Action Item(s)	Owner	Target Date

Other Notes	
Topic	Highlights
Public Comments	No public comments
Meeting adjourned at 6:40	



Gardens School of Technology Arts

Educating Young Innovators for the 21st Century

Governing Board Meeting

Date: Dec 10, 2012

List of Attendees	Signature
Debra K. Moore, President (Acting Treasurer)	
David Menkhaus (Acting Secretary)	ABSENT
David Reyes, Board Member (Parent)	
Lisa Cole, Board Member (Parent Liaison)	
Lori Alfrey, Board Member	
Lana Thormodsgaard, Director of Academics	
Shane Vander Kooi, Director Innovation/Operations	
ERIK Benz	



Agenda
Board of Directors Meeting
Monday, Dec 10, 2012, 5:45 PM
Gardens School of Technology Arts, Inc.
Office: 9153 Roan Lane, Palm Beach Gardens, FL 33403

Call to Order

I. Roll Call

II. Approval of the Minutes from Nov 12, 2012 meeting ¹

III. Reports ²

- A. Academics
- B. Operations/Finance
- C. Governance

IV. Special Orders

- A. Approval of the Financial Statements ³
- B.
- C.

V. Discussion

- A. 360 Degree Performance Evaluation
- B. Strategic Planning Retreat
- C.

VI. Open Discussion – Public Comments

VII. Adjournment

¹ Sent by Lisa Cole (Dec 10, 2012)

² Sent by Shane Vander Kooi (Dec 9, 2012)

³ Sent by Shane Vander Kooi (Dec 10, 2012)

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 29

FDOE

Florida School Choice

GSOTA

Charter School Capital Outlay Application

2014



School Choice Home
Admin Home Page Log Out
STUDENT
Search Students Intent Students Ineligible Intents
PRIVATE SCHOOL
Search Schools
TOOLS
Tools Call Tracking System
REPORTS
Reports
WEBSITE
Webpage Messages
CHARTER SCHOOL
Charter School Administration
DISTRICT
District Contact Information

Office of Independent Education & Parental Choice

Charter Schools Administration

Gardens School Of Technology Arts Inc (3961)

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GARDENS SCHOOL OF TECHNOLOGY ARTS INC Charter School Capital Outlay Application

This form must be completed and provided to the Florida Department of Education by July 15 for consideration to receive Charter School Capital Outlay funds, pursuant to Section 1013.62, Florida Statutes. Upon completion and submission of this form (you are responsible for completing each section) it will be sent electronically to your sponsor for review. Your sponsor will review and certify the information in Section 1. The Department will then review and consider the sponsor's recommendation and make the eligibility determination.

2014 Capital Outlay Plan Submitted By School On: 4/25/2014

2014 Capital Outlay Plan Certified By DOE On: 8/27/2014

School Opened in : 2011-2012

SECTION 1:

No Did the school receive capital outlay funding for the 2013-2014 school year?

The charter school's sponsor can verify that (both criteria apply):

Yes (a) There exists an agreement with the charter school that includes provisions for the reversion of any unencumbered funds and all equipment and property purchased with public education funds to the ownership of the district school board in the event that the school terminates operations.

Yes (b) The charter school facilities were not created by the conversion of a public school, does not operate in facilities provided by the charter school's sponsor for a nominal fee or at no charge, and is not directly or indirectly operated by the school district.

SECTION 2:

A charter school must meet one of the following five criteria:
Please check the criteria that the school will meet for the upcoming (2014-2015) school year.

- ✓ (1) For the 2014-2015 school year, the school will be in its third or more full year of operation.

SECTION 3:

A charter school must meet all of the following criteria to qualify for capital outlay funds:

- ✓ (1) The school's most recent audit does not reveal any of the financial emergency conditions provided in Section 218.503(1), F.S.
Audit Report Financial Emergency Flag:
- ✓ (2) Has satisfactory student achievement based on state accountability standards applicable to charter schools.
Recent School Grade : C(2015 - 2016)
Prior Year School Grade : A(2014 - 2015)
Current Year School Improvement Rating : N/A
Previous Year School Improvement Rating : N/A
- ✓ (3) Has received final approval from its sponsor pursuant to s. 1002.33, F.S. for operation in the coming fiscal year.
- ✓ (4) Serves students in facilities not provided by the charter school's sponsor:
- (a) This IS NOT a conversion charter school utilizing district-owned facilities;
- (b) Nor operating in a district-owned facility which is rented, leased, or otherwise made available to the charter school by the school district.

SECTION 4:

A charter school may use charter school capital outlay funds for any of the following eight expenditures. Please check the box(es) that apply.

- (1) Purchase of real property.
- (2) Construction of school facilities.
- ✓ (3) Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or rent).
- (4) Purchase of vehicles to transport students to and from the charter school.
- ✓ (5) Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer.
- (6) The purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications (must be classified as capital assets pursuant to the Governmental Accounting Standards Board [GASB], have a useful life of at least five years, and be used to support school-wide administration or state-mandated reporting requirements).
- ✓ (7) Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
- (8) Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of educational plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

CERTIFICATION:

CHARTER SCHOOL REPRESENTATIVE

Shane Vander Kooi

Comments:

- ✓ As representative of the charter school, I certify that all information indicated above is accurate and current.

Sponsor Certification/Recommendation

Miriam Williams

Pursuant to Section 1002.33.5(b)(1)(f) F.S the sponsor certifies:



The school is meeting student performance measures included in the approved charter

Pending Decision

Comment:

We are unable to make a determination of financial viability since the audit reports are not available for FY14 until September 2014.

DEPARTMENT OF EDUCATION

Approved

The Office of Independent Education and Parental Choice has reviewed and verified the indication(s) in Section 2 and certifies the charter school meets the eligibility criteria to receive capital outlay funding this fiscal year.

Comment:

Rule 6A-2.0020, F.A.C.
Form IEPC-CO1

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Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 30

FDOE

Florida School Choice

GSOTA

Charter School Capital Outlay Application

2015



FLORIDA SCHOOL CHOICE OFFICE OF INDEPENDENT EDUCATION & PARENTAL CHOICE

School Choice Home
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Ineligible Intents
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Tools
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Reports
WEBSITE
Webpage Messages
CHARTER SCHOOL
Charter School Administration
DISTRICT
District Contact Information

Office of Independent Education & Parental Choice

Charter Schools Administration

Gardens School Of Technology Arts Inc (3961)

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GARDENS SCHOOL OF TECHNOLOGY ARTS INC Charter School Capital Outlay Application

This form must be completed and provided to the Florida Department of Education by July 15 for consideration to receive Charter School Capital Outlay funds, pursuant to Section 1013.62, Florida Statutes. Upon completion and submission of this form (you are responsible for completing each section) it will be sent electronically to your sponsor for review. Your sponsor will review and certify the information in Section 1. The Department will then review and consider the sponsor's recommendation and make the eligibility determination.

2015 Capital Outlay Plan Submitted By School On: 7/1/2015
 2015 Capital Outlay Plan Certified By District On: 8/3/2015
 2015 Capital Outlay Plan Certified By DOE On: 8/31/2015
 School Opened in : 2011-2012

SECTION 1:

Yes Did the school receive capital outlay funding for the 2014-2015 school year?

The charter school's sponsor can verify that (both criteria apply):

- Yes** (a) There exists an agreement with the charter school that includes provisions for the reversion of any unencumbered funds and all equipment and property purchased with public education funds to the ownership of the district school board in the event that the school terminates operations.
- Yes** (b) The charter school facilities were not created by the conversion of a public school, does not operate in facilities provided by the charter school's sponsor for a nominal fee or at no charge, and is not directly or indirectly operated by the school district.

SECTION 2:

A charter school must meet one of the following five criteria:
 Please check the criteria that the school will meet for the upcoming (2015-2016) school year.

- (1) For the 2015-2016 school year, the school will be in its third or more full year of operation.

SECTION 3:

A charter school must meet all of the following criteria to qualify for capital outlay funds:

- (1) The school's most recent audit does not reveal any of the financial emergency conditions provided in Section 218.503(1), F.S.
Audit Report Financial Emergency Flag:
- (2) Has satisfactory student achievement based on state accountability standards applicable to charter schools.
Recent School Grade : C(2015 - 2016)
Prior Year School Grade : A(2014 - 2015)
Current Year School Improvement Rating : N/A
Previous Year School Improvement Rating : N/A
- (3) Has received final approval from its sponsor pursuant to s. 1002.33, F.S. for operation in the coming fiscal year.
- (4) Serves students in facilities not provided by the charter school's sponsor:
 - (a) This IS NOT a conversion charter school utilizing district-owned facilities;
 - (b) Nor operating in a district-owned facility which is rented, leased, or otherwise made available to the charter school by the school district.

SECTION 4:

A charter school may use charter school capital outlay funds for any of the following eight expenditures. Please check the box(es) that apply.

- (1) Purchase of real property.
- (2) Construction of school facilities.
- (3) Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or rent).
- (4) Purchase of vehicles to transport students to and from the charter school.
- (5) Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer.
- (6) The purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications (must be classified as capital assets pursuant to the Governmental Accounting Standards Board [GASB], have a useful life of at least five years, and be used to support school-wide administration or state-mandated reporting requirements).
- (7) Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
- (8) Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of educational plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

CERTIFICATION:

CHARTER SCHOOL REPRESENTATIVE

Jeanne Benz

Comments:

- As representative of the charter school, I certify that all information indicated above is accurate and current.

Sponsor Certification/Recommendation	
Ariel Alejo	
Pursuant to Section 1002.33.5(b)(1)(f) F.S the sponsor certifies:	
✓	The school is meeting student performance measures included in the approved charter
Recommended for Approval	
Comment:	no student achievement data available
DEPARTMENT OF EDUCATION	
Approved	The Office of Independent Education and Parental Choice has reviewed and verified the indication(s) in Section 2 and certifies the charter school meets the eligibility criteria to receive capital outlay funding this fiscal year.
Comment:	

Rule 6A-2.0020, F.A.C.
Form IEPC-CO1

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Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 31

FDOE

Florida School Choice

GSOTA

Charter School Capital Outlay Application

2016



FLORIDA SCHOOL CHOICE OFFICE OF INDEPENDENT EDUCATION & PARENTAL CHOICE

- School Choice Home**
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- Search Schools
- TOOLS**
- Tools
- Call Tracking System
- REPORTS**
- Reports
- WEBSITE**
- Webpage Messages
- CHARTER SCHOOL**
- Charter School Administration
- DISTRICT**
- District Contact Information

Office of Independent Education & Parental Choice

Charter Schools Administration

Gardens School Of Technology Arts Inc (3961)

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GARDENS SCHOOL OF TECHNOLOGY ARTS INC Charter School Capital Outlay Application

This form must be completed and provided to the Florida Department of Education by July 15 for consideration to receive Charter School Capital Outlay funds, pursuant to Section 1013.62, Florida Statutes. Upon completion and submission of this form (you are responsible for completing each section) it will be sent electronically to your sponsor for review. Your sponsor will review and certify the information in Section 1. The Department will then review and consider the sponsor's recommendation and make the eligibility determination.

2016 Capital Outlay Plan Submitted By School On: 7/12/2016
 2016 Capital Outlay Plan Certified By District On: 8/4/2016
 2016 Capital Outlay Plan Certified By DOE On: 9/7/2016
 School Opened in : 2011-2012

SECTION 1:

Yes Did the school receive capital outlay funding for the 2015-2016 school year?

The charter school's sponsor can verify that (both criteria apply):

- Yes** (a) There exists an agreement with the charter school that includes provisions for the reversion of any unencumbered funds and all equipment and property purchased with public education funds to the ownership of the district school board in the event that the school terminates operations.
- Yes** (b) The charter school facilities were not created by the conversion of a public school, does not operate in facilities provided by the charter school's sponsor for a nominal fee or at no charge, and is not directly or indirectly operated by the school district.

SECTION 2:

A charter school must meet one of the following five criteria:
 Please check the criteria that the school will meet for the upcoming (2016-2017) school year.

- ✓ (1) For the 2016-2017 school year, the school will be in its third or more full year of operation.

SECTION 3:

A charter school must meet all of the following criteria to qualify for capital outlay funds:

- ✓ (1) The school's most recent audit does not reveal any of the financial emergency conditions provided in Section 218.503(1), F.S.
Audit Report Financial Emergency Flag:
- ✓ (2) Has satisfactory student achievement based on state accountability standards applicable to charter schools.
Recent School Grade : C(2015 - 2016)
Prior Year School Grade : A(2014 - 2015)
Current Year School Improvement Rating : N/A
Previous Year School Improvement Rating : N/A
- ✓ (3) Has received final approval from its sponsor pursuant to s. 1002.33, F.S. for operation in the coming fiscal year.
- ✓ (4) Serves students in facilities not provided by the charter school's sponsor:
 - (a) This IS NOT a conversion charter school utilizing district-owned facilities;
 - (b) Nor operating in a district-owned facility which is rented, leased, or otherwise made available to the charter school by the school district.

SECTION 4:

A charter school may use charter school capital outlay funds for any of the following eight expenditures. Please check the box(es) that apply.

- (1) Purchase of real property.
- ✓ (2) Construction of school facilities.
- ✓ (3) Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or rent).
- ✓ (4) Purchase of vehicles to transport students to and from the charter school.
- ✓ (5) Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer.
- (6) The purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications (must be classified as capital assets pursuant to the Governmental Accounting Standards Board [GASB], have a useful life of at least five years, and be used to support school-wide administration or state-mandated reporting requirements).
- ✓ (7) Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
- (8) Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of educational plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

CERTIFICATION:

CHARTER SCHOOL REPRESENTATIVE

Jeanne Benz

Comments:



As representative of the charter school, certify that all information indicated above is accurate and current.

Sponsor Certification/Recommendation



Ariel Alejo



Pursuant to Section 1002.33.5(b)(1)(f) F.S the sponsor certifies:



The school is meeting student performance measures included in the approved charter

Recommended for Approval

Comment:

DEPARTMENT OF EDUCATION

Approved

The Office of Independent Education and Parental Choice has reviewed and verified the indication(s) in Section 2 and certifies the charter school meets the eligibility criteria to receive capital outlay funding this fiscal year.

Comment:

Approved: school met two years of operation eligibility criteria

Rule 6A-2.0020, F.A.C.
Form IEPC-CO1

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Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 32

Palm Beach School District

Charter Department

Program Renewal Review Summary

Of GSOTA

FY 2015 – 2016

Program Renewal Review Summary 2015-2016

INTRODUCTION

Pursuant to F.S. 1002.33(5) (b) (1.a, b, e, & f) *Sponsor duties* – The sponsor shall monitor and review the charter school in its progress toward the goals established in the charter. The sponsor shall monitor the revenues and expenditures of the charter school and perform the duties provided in s. 1002.345. The sponsor shall ensure that the charter is innovative and consistent with the state education goals established by s. 1000.03(5). The sponsor shall ensure that the charter school participates in the state’s education accountability system. Additionally, if the school earned a grade of “D” or “F”, the sponsor must annually review implementation of the school improvement plan to monitor the school’s continued improvement pursuant to F.S. 1002.33 (9) (n). Moreover, provisions in your Charter Contract with the School Board provide for the sponsor’s ability to monitor your school.

Additionally, pursuant to SDPBC Policy 2.57 (8b) *Renewal of Charter Contracts*- during the final year of a charter school’s contract term, designated District staff will conduct a program review in order to determine whether a charter school meets the criteria for renewal as set forth in F.S. 1002.33(7)(a) & (b) as well as compliance with the existing charter provisions.

Therefore, a Program Renewal review was conducted on 2/9/16 DATE.

Prior to the review, the Department of Charter Schools placed a draft of the review checklists on the Department’s website and informed the Charter School Principal of its availability. The Department of Charter Schools collaborated with the Principal to schedule the date and time of the review visit.

Gardens School of Technology Arts was reviewed in the categories listed in the chart below by the Department of Charter Schools and other School District experts. Ratings were assigned based on the criteria indicated on each category’s checklist.

Here are the ratings of the category areas from your Program Renewal Review:

	CATEGORY AREAS	RATING
1a	Curriculum and Instruction- Literacy- Elementary	Meets
1b	Curriculum and Instruction- Literacy- Secondary	Partially Meets
2	ESOL/ELL Services	Meets
3	ESE Services	Meets
4	Personnel	Meets
5	Assessment	Meets
6	Facilities	Meets
7	Governance	Meets
8	Insurance	Meets
9	Finance and Operations	Partially Meets
10	Food Service	Meets
11	Transportation	N/A

#1 ELA

School District of Palm Beach County
CHARTER SCHOOL REVIEW

<input type="checkbox"/>	ANNUAL
<input checked="" type="checkbox"/>	PROGRAM RENEWAL
<input type="checkbox"/>	END OF YEAR

CHARTER SCHOOL: Gardens School of Technology Arts

REVIEWED BY: Karen Marchetto

DATE OF VISIT: 2/17/16

Each reviewer will complete a review document by marking as follows:

Meets the Standards - Appropriate information and/or evidence of documentation is in place at all levels.

Partially Meets the Standards - Necessary information and/or evidence of documentation incomplete or is not in place at some levels.

Does Not Meet the Standard - Materially Deficient - Explained in comment section.

SCHOOL IS FOLLOWING DISTRICT'S STUDENT PROGRESSION PLAN YES NO

SCHOOL IS FOLLOWING DISTRICT'S COMPREHENSIVE READING PLAN YES NO

CURRICULUM AND INSTRUCTION	LITERACY: <input type="checkbox"/> ELEMENTARY <input checked="" type="checkbox"/> SECONDARY			
Indicators	M	P	D	COMMENTS
1. Evidence of a curriculum plan, i.e. scope and sequence or focus calendar that illustrates how students will be provided services to attain the Florida Standards. <i>Provide a copy of plan</i>	X			Using District's scope and sequence for Reading
2. Evidence of lesson plans that incorporate Florida Standards in reading instruction. <i>Lesson Plans Will Be Reviewed</i>	X			
3. Evidence that the reading curriculum has differentiated strategies that will be used for students reading at grade level . <i>(Documentation required)*</i>	X			In lesson plans
4. Evidence that the reading curriculum has differentiated strategies that will be used for students reading above grade level . <i>(Documentation required)*</i>	X			In lesson plans
5. Evidence that the reading curriculum has differentiated strategies that will be used for students reading below grade level . <i>below grade level (Documentation required)*</i>		X		Although strategies are evident in lesson plans, it is unclear that data is driving the instruction to meet the needs of the struggling readers. Teacher has data binder, but it is not evident that data is used

CURRICULUM AND INSTRUCTION		LITERACY: _____ ELEMENTARY _____ <u>X</u> SECONDARY		
Indicators	M	P	D	COMMENTS
				for grouping and instructional purposes.
6. Evidence that the instructional staff receives professional development training that will support the distinctive curriculum used at the charter school.	X			
7. Evidence of a reading curriculum that is consistent with instructional strategies, LAFS, and is grounded in scientifically-based reading research.	X			Zaner-Bloser <i>Read for Real</i> series is used, though a book for every student is not available. Supplemental resources include online programs such as <i>Newsela</i> .
8. Evidence of reading schedule.	X			Schedule now indicates Intensive Reading class meets after school daily. See Note below
9. Evidence parents have been provided sufficient information on whether their child is reading at grade level. (<i>Documentation required</i>)*	X			
10. Classroom environment is reflective of the school's commitment to reading i.e., classroom libraries.	X			
11. Evidence that the school is being innovative as stated in the charter.	X			

Signature Karen Manchetto

Date 2/18/16

NOTES:

Since the Annual Review, the master schedule has been amended so that Intensive Reading is offered every day after school from 3:30-4:20. The recommendation, however, still stands that to bring the school into compliance with the District's Comprehensive Reading Plan, Intensive Reading should be scheduled daily from 7:30-8:30 AM utilizing an elementary certified teacher for the sixth grade class and the certified reading teacher or reading endorsed teacher for the seventh and eighth grade class for the remainder of this year. Research and best practices would also indicate that a morning session would be more conducive to learning for struggling readers than an after school session. The principal has stated that for next school year, he will schedule the Intensive Reading class during the school day.

RATING

_____ Meets the Standard: All indicators are rated "M".

X Partially Meets the Standard: Up to 3 indicators rated as "P" and all other indicators as "M".

_____ Does Not Meets the Standard: 4 or more indicators are rated as "P" or "D".

#1 ELA

School District of Palm Beach County
CHARTER SCHOOL REVIEW

<input type="checkbox"/>	ANNUAL
<input checked="" type="checkbox"/>	PROGRAM RENEWAL
<input type="checkbox"/>	END OF YEAR

CHARTER SCHOOL: Gardens School of Technology Arts

REVIEWED BY: Karla J. Branch

DATE OF VISIT: February 9, 2016

Each reviewer will complete a review document by marking as follows:

Meets the Standards - Appropriate information and/or evidence of documentation is in place at all levels.

Partially Meets the Standards - Necessary information and/or evidence of documentation incomplete or is not in place at some levels.

Does Not Meet the Standard - Materially Deficient - Explained in comment section.

SCHOOL IS FOLLOWING DISTRICT'S STUDENT PROGRESSION PLAN YES NO

SCHOOL IS FOLLOWING DISTRICT'S COMPREHENSIVE READING PLAN YES NO

CURRICULUM AND INSTRUCTION	LITERACY: <input checked="" type="checkbox"/> ELEMENTARY <input type="checkbox"/> SECONDARY			
Indicators	M	P	D	COMMENTS
1. Evidence of a curriculum plan, i.e. scope and sequence or focus calendar that illustrates how students will be provided services to attain the Florida Standards. <i>Provide a copy of plan</i>	X			GSOTA is following the Literacy Roll Out based on the Units of Study.
2. Evidence of lesson plans that incorporate Florida Standards in reading instruction. <i>Lesson Plans Will Be Reviewed</i>	X			Evidence of standards in lesson plans/Units of Study.
3. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>at grade level</u> . <i>(Documentation required)*</i>	X			Indicated in lesson plans.
4. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>above grade level</u> . <i>(Documentation required)*</i>	X			Indicated in lesson plans.
5. Evidence that the reading curriculum has differentiated strategies that will be used for students reading below grade level. <u>below grade level</u> <i>(Documentation required)*</i>	X			Indicated in lesson plans and included immediate intensive intervention (iii) monitoring logs.
6. Evidence that the instructional staff receives professional development training that will support the distinctive curriculum used at the charter school.	X			Teachers attend the district's Literacy Roll Out Cohort trainings, in-house PD.

CURRICULUM AND INSTRUCTION		LITERACY: <u> X </u> ELEMENTARY <u> </u> SECONDARY <u> </u>		
Indicators	M	P	D	COMMENTS
7. Evidence of a reading curriculum that is consistent with instructional strategies, LAFS, and is grounded in scientifically-based reading research.	X			Participation in the Literacy Roll Out based on Lucy Calkins Reader's Workshop.
8. Evidence of reading schedule.	X			
9. Evidence parents have been provided sufficient information on whether their child is reading at grade level. <i>(Documentation required)*</i>	X			Parent letter
10. Classroom environment is reflective of the school's commitment to reading i.e., classroom libraries.	X			Leveled libraries, print rich environment, word walls, book boxes, and reader's notebooks were evident in classrooms.
11. Evidence that the school is being innovative as stated in the charter.	X			Technology Arts

Signature: Karla J. Branch

Date: February 9, 2016

NOTES:

RATING

X Meets the Standard: All indicators are rated "M".

 Partially Meets the Standard: Up to 3 indicators rated as "P" and all other indicators as "M".

 Does Not Meets the Standard: 4 or more indicators are rated as "P" or "D".

School District of Palm Beach County
CHARTER SCHOOL REVIEW

—	ANNUAL
X	PROGRAM RENEWAL
—	END OF YEAR

CHARTER SCHOOL: Gardens Tech. Arts

Reviewed by: Steve Byrne

Date of Visit: 02-09-2016

Each reviewer will complete a review document by marking as follows:

MEETS THE STANDARDS – APPROPRIATE INFORMATION AND/OR EVIDENCE OF DOCUMENTATION IS IN PLACE AT ALL LEVELS.

PARTIALLY MEETS THE STANDARDS – NECESSARY INFORMATION AND/OR EVIDENCE OF DOCUMENTATION INCOMPLETE OR IS NOT IN PLACE AT SOME LEVELS.

DOES NOT MEET THE STANDARD – MATERIALLY DEFICIENT – EXPLAINED IN COMMENT SECTION.

ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL)				
Indicators	M	P	D	COMMENTS
1. Registration				
Evidence of comprehensible registration procedures for ELLs and families have been established and the school registration form which includes a Home Language Survey (HLS) is translated in the District's four major languages (English, Spanish, Haitian Creole and Portuguese)	X			
2. Personnel				
a. All instructional staff members are in compliance (or in process of compliance) with professional qualifications required by the Florida Department of Education for personnel who teach ELLs. (ESOL Endorsement, ESOL coverage or ESOL Certification)	X			
b. There is a full-time, bilingual instructional staff member who speaks the SAME home language of the ELLs when 15 or more students speak the same language.	X			
3. Instruction				
Evidence of comprehensible instruction that includes the use of appropriate ESOL instructional strategies with English Language Learners (ELLs).	X			
4. Assessment				
Evidence of students entering a FL school for the first time who check "YES" to any of the three questions on the Home Language Survey (HLS) are administered an English language	X			

ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL)				
Indicators	M	P	D	COMMENTS
proficiency assessment within twenty (20) school days as required by Consent Decree.				
5. ESOL Student Files and Recordkeeping				
Evidence that ELL student records are maintained in compliance with requirements of the Consent Decree and FEPP reporting procedures. All provisions of the Consent Decree must be fully implemented.	X			
6. Communication				
In accordance with the Department of Justice Agreement, there is evidence of communication with parents/guardians of ELLs regarding discipline procedures, Code of Conduct, registration, school-wide expectations, etc. that is translated into the District's major languages (Spanish, Haitian Creole, Portuguese) and interpreters are available at parent meetings and conferences so that information is presented in a language understood by the parent/guardian. All of the provisions of the agreement must be implemented.	X			
ADDITIONAL NOTES/COMMENTS				

The highlighted indicators must be compliant in order for this category to be considered compliant

Signature Steve Byrne Date 02-09-2016

RATING:

- X Meets the Standard: ALL INDICATORS ARE RATED M.
- Partially Meets the Standard: UP TO TWO INDICATORS RATED AS P AND ALL OTHER INDICATORS AS M.
- Does Not Meet the Standard: THREE OR MORE INDICATORS ARE RATED AS P OR D.

School District of Palm Beach County
CHARTER SCHOOL REVIEW

<input type="checkbox"/>	ANNUAL
<input checked="" type="checkbox"/>	PROGRAM RENEWAL
<input type="checkbox"/>	END OF YEAR

CHARTER SCHOOL: Gardens School of Technology Arts

REVIEWED BY: Lisa Van Deree

DATE OF VISIT: 02/08/2016

Each reviewer will complete a review document by marking as follows:

COMPLIANT - Appropriate information and/or evidence of documentation is in place at all grade levels.

NON-COMPLIANT - Necessary information and/or evidence of documentation incomplete or is not in place at any level.

N/A - Not applicable-Explain in comment section.

EXCEPTIONAL STUDENT SERVICES (ESE)				
Indicators	C	N	N/A	COMMENTS
1. ESE folders are properly maintained for ESE students: a. All files are present for enrolled ESE Students b. All IEPs, evaluations and related documents are present at least 3 years back when applicable	X			All files present with appropriate documentation
2. IEPs are compliant based on IEP Compliance Monitoring Tool	X			IEPs reviewed are compliant
3. There is evidence of implementation of accommodations, modifications, strategies working toward mastery of the annual goals as specified on the IEP. (Lesson Plans, logs, interviews, etc.)	X			General Education teacher lesson plans show differentiated instruction and accommodations
4. Teachers have copies of IEPs in their classrooms.	X			Copies of IEPs in binders in each classroom
5. ESE students are receiving services documented on their IEPs (logs, schedules, etc.)	X			ESE teacher schedule provided. Lessons plans documented. Support Facilitation logs present.
6. IEPs are current and timely.	X			IEPs current
7. Three (3) year re-evaluations are current and timely.	X			Reevaluations current
8. Procedures for discipline for ESE students are in compliance with IDEA and District procedures:			X	No students with 10+ days suspension

EXCEPTIONAL STUDENT SERVICES (ESE)				
a. Documentation of manifestation hearings for ten plus(10+) days of suspension b. FBA/BIP developed for ten plus(10+) day suspensions				
9. Evidence of #_____ of students were provided with the alternate assessment (FAA) in place of regular assessment.			X	No FAA students
10. Evidence that ESE Contact attends the following meetings: LEA training, IEP training, District Contact meetings, TERMS, and EDW	X			ESE contact attends all meetings and recommended trainings
11. Evidence of Consultation logs showing face to face meetings	X			Consultation logs show face to face monthly meetings
12. OT, PT, S/L, DHH, VI services are being provided (therapy logs, attendance, schedules, consultation logs)	X			S/L and DHH schedules, attendance and logs show appropriate documentation
13. PPN is compliant based on IEP Compliance Monitoring Tool.	X			Documented attempts, purpose of meetings and necessary participants invited
14. There is evidence that the required members are invited and in attendance at IEP/CST meetings	X			Names on IEP and PPN match, necessary participants present
15. Procedures are being followed for eligibilities, evaluations, re-evaluations, dismissals	X			All proper documentation used
16. Matrices are IEP driven with supporting documentation.	X			IEPs and Matrices match
17. IEP's are written to meet students' needs per present levels of performance, standardized test scores and other assessments.	X			Services related to present levels of performance
18. Evidence of behavior documentation and implementation for ESE students: a. Plan is indicated in IEP in accommodations/goals b. Behavior plan in file when applicable c. Evidence of plan in use in classroom			X	No students with current behavior plans

EXCEPTIONAL STUDENT SERVICES (ESE)			
19. Evidence of RtI and School Based Teams	X		Regularly scheduled meetings held with proper documentation
20. Evidence of IEP supporting documents (parent input form, Access Point/FAA, ESE Center School placement)	X		2491 used at all meetings, 2492 and 2493 not applicable

Signature *Kim Vandervee* Date 7-8-16

RATING

 X Meets the Standard: All indicators must be rated as "C".

 Partially Meets the Standard: No more than 4 indicators rated as "N".

 Does Not Meet the Standard: More than 4 indicators rated as "D".

School District of Palm Beach County
CHARTER SCHOOL REVIEW

<input type="checkbox"/>	ANNUAL
<input checked="" type="checkbox"/>	PROGRAM RENEWAL
<input type="checkbox"/>	END OF YEAR

CHARTER SCHOOL: GARDENS SCHOOL OF TECHNOLOGY

REVIEWED BY: MARK STENNER

DATE OF VISIT: FEB. 9, 2016

Each reviewer will complete a review document by marking as follows:

COMPLIANT - Appropriate information and/or evidence of documentation is in place at all grade levels.

NON-COMPLIANT - Necessary information and/or evidence of documentation incomplete or is not in place at any level.

N/A - Not applicable-Explain in comment section.

PERSONNEL				
Indicators	C	N	N/A	COMMENTS
1. Evidence of Performance Evaluation Systems (instructional personnel and administrators) as required by law. (Documentation required)*	✓			
2. Evidence that Out-of-field agreements are on file for appropriate teachers as verified in Charter Tools.	✓			
3. Documentation, substantiating the expertise in field of specialty, is on file for teachers who are determined highly qualified in accordance with F.S. §231.15(1). (Documentation required)*	✓			1 - SUB. ACT. TEACH
4. Copies of contracts for contractual services and documentation of services provided are on file.	✓			
5. A complete list of employees is on file and includes addresses and phone numbers. (PBSD 2521)	✓			
6. Charter School Authorization Forms for all employees are on file. (PBSD 2177)	✓			
7. Teaching certificates/letters of eligibility for appropriate teachers.	✓			

Signature Mark Stenner Date 2-9-16

RATING

- Meets the Standard: All indicators are rated "C".
- Partially Meets the Standard: Up to 3 indicators rated as "N" and all other indicators as "C".
- Does Not Meet the Standard: 4 or more indicators are rated as "N".

School District of Palm Beach County
CHARTER SCHOOL REVIEW

<input type="checkbox"/>	ANNUAL
<input checked="" type="checkbox"/>	PROGRAM RENEWAL
<input type="checkbox"/>	END OF YEAR

CHARTER SCHOOL: GARDENS SCHOOL OF TECHNOLOGY

REVIEWED BY: MARK L. STENNER

DATE OF VISIT: FEB. 9, 2016

Each reviewer will complete a review document by marking as follows:

COMPLIANT - Appropriate information and/or evidence of documentation is in place at all grade levels.

NON-COMPLIANT - Necessary information and/or evidence of documentation incomplete or is not in place at any level.

N/A - Not applicable-Explain in comment section.

SCHOOL IS FOLLOWING DISTRICT'S STUDENT PROGRESSION PLAN YES NO

ASSESSMENT				
Indicators	C	N	N/A	COMMENTS
1. DESCRIPTION OF METHOD USED TO IDENTIFY THE EDUCATIONAL STRENGTHS AND NEEDS OF STUDENTS.				
<i>The following data from the Educational Data Warehouse reports will be reviewed on site during the Annual Review:</i>				
a. ELA Profile (Most Recent) - RTSOR0036- Report shows the most recent scores for FSA ELA, Diagnostic Reading, RRR, and SRI OR research based equivalent assessment report(s).	✓			
b. Math Profile (Most Recent) - RTSOM0037- Report shows the most recent scores for FSA Math, Algebra 1, Algebra 2, Geometry EOC and Diagnostic Assessments OR research based equivalent assessment report(s).	✓			
c. Science Profile - RTSFS0121- Report shows the overall scale score and level for the most recent FSA Science and EOC for Biology 1. In addition, the Science and Biology 1 Diagnostic scores and level are shown for the current school year OR research based equivalent assessment report(s).	✓			
d. Diagnostic Diamond Report - RTODA0173- Report contains most recent Diagnostic school results that include each question's content focus, standard type, and cognitive level. It compares the school results to the district results for each	✓			

ASSESSMENT

question OR a research based assessment equivalent data that can provide a comparison of school growth analysis to self and like schools.

- e. **EOC Diagnostic Diamond Report - RTSDA0474-** Report contains End of Course (EOC) Diagnostic percent correct and provides comparison of grade level results to District results for the same grade level OR a school results to District results research based assessment equivalent data that can provide a comparison of school growth analysis to self and like schools.

✓

2. IMPLEMENTATION OF STUDENT PROGRESSION PLAN

- a. Students participate in all age appropriate required district and state assessments. Results are communicated to parents.
- b. Procedures are in place to report grades and mid-term progress to parents/guardians and students at a minimum of four (4) times a school year.
- c. Procedures are in place for graduation, promotion, remediation, retention including a process for communicating to parents/guardians and students.
- d. PMP's have been written for students performing below grade level in reading, writing, mathematics, and/or science. (documentation required)* PMP's indicate parent/guardian participation in the process.
- e. PMP's have been entered in TERMS.

✓

✓

✓

✓

✓

3. MONITORING STUDENT PROGRESS

- a. **Individual Student Form - RSSOA0082 -** Report shows a profile detailing demographics, attendance, discipline, grades, testing and special programs for an individual student.
- b. **SALP - RTTOR0035-** Report shows individual student profile for Student Assessment Literacy Project (SAL-P). This student listing contains FSA and Diagnostics assessment results OR evidence of monitoring student progress as provided in the schools'

✓

✓

ASSESSMENT

<p>charter.</p>				
<p>c. <u>SALP High School - RTSOA0454-</u> Report shows individual student profile for Student Assessment Literacy Project (SAL-P), SAT, ACT and CPT. This student listing contains FSA SSS and Diagnostics assessment results OR evidence of monitoring student progress as provided in the school's charter.</p>			<p>✓</p>	
<p>d. <u>Individual Graduation Status - RSSYA0342-</u> Report shows FSA, GPA, Credits and Community Service Hours. (Note: This report does not take into account the number of credits per subject area. Report is only valid for students in grades 9 to 12.)</p>			<p>✓</p>	

Signature Mark Steene Date 2-9-16

RATING

- Meets the Standard: All indicators are rated "C".
- Partially Meets the Standard: Up to 3 indicators rated as "N" and all other indicators as "M".
- Does Not Meet the Standard: 4 or more indicators are rated as "N".

School District of Palm Beach County
CHARTER SCHOOL REVIEW

<input type="checkbox"/>	ANNUAL
<input checked="" type="checkbox"/>	PROGRAM RENEWAL
<input type="checkbox"/>	END OF YEAR

CHARTER SCHOOL: GARDENS School OF TECHNOLOGY

REVIEWED BY: MARK L. STENNER

DATE OF VISIT: FEB. 9, 2016

Each reviewer will complete a review document by marking as follows:

COMPLIANT - Appropriate information and/or evidence of documentation is in place.

NON-COMPLIANT - Necessary information and/or evidence of documentation incomplete or is not in place at any level.

N/A - Not applicable-Explain in comment section.

FACILITIES				
Indicators	C	N	N/A	COMMENTS
1. A copy of the initial Certificate of Occupancy issued by the Code Enforcement Department of jurisdiction is on file at the school and has been submitted to the district, including a copy to cover any renovations.	✓			
2. A copy of the most recent Fire Safety Inspection Report per Florida Statute Sec. 1013.12(5)(b) showing that the school's facilities meet the building code and fire prevention code and/or any deficiencies are being corrected in accordance with the report.	✓			
3. A copy of the semi-annual County Health Department sanitation inspection is on file at the school and submitted to the district, including standards for serving food and drinking water.	✓			
4. A copy of the schedule for Evacuation and Fire Drills for each school year as required by the Fire Marshal of jurisdiction including the dates and comments of actual drills performed. Unannounced drills shall be performed a minimum of every other month. This documentation is on file at the school and submitted to the district.	✓			
5. Evidence that procedures are in place to manage and regulate hazardous materials.	✓			
6. Evidence that procedures are in place to ensure the review of material safety data sheets (MSDS) for every chemical product used and the maintenance activities each charter facility to be sure that all unused and waste chemical products are properly labeled.	✓			
7. Per Florida Statute Sec. 1013.33 and 1013.35 charter				

FACILITIES

<p>schools participate in the annual Tentative Educational Facilities Work Plan. The following information must be reported to the district:</p> <ol style="list-style-type: none">1. Location of charter2. Number of relocatables3. Owner4. Year started/scheduled5. Total number of student stations6. Current student enrollment7. Years in contract8. Charter school projections <p>This information is part of the district's concurrency calculations and must be included in the Five Year Capital Improvement Plan.</p>	✓			
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Signature Mark H. Hester Date 2-9-16

RATING

✓ Meets the Standard: All highlighted indicators are rated "C" and no more than 1 other indicator rated as "N".

 Partially Meets the Standard: All highlighted indicators are rated as "C" and no more than 2 other indicators rates as "N".

 Does Not Meet the Standard: Any highlighted indicator rated as "N" or all highlighted indicators rated as "C" and all other indicators rated as "N".

School District of Palm Beach County
CHARTER SCHOOL REVIEW

<input type="checkbox"/>	ANNUAL
<input checked="" type="checkbox"/>	PROGRAM RENEWAL
<input type="checkbox"/>	END OF YEAR

CHARTER SCHOOL: GSOTA

REVIEWED BY: Amel Alzo

DATE OF VISIT: 020916

Each reviewer will complete a review document by marking as follows:

COMPLIANT - Appropriate information and/or evidence of documentation is in place.

NON-COMPLIANT - Necessary information and/or evidence of documentation incomplete or is not in place at any level.

N/A - Not applicable-Explain in comment section.

GOVERNANCE				
Indicators	C	N	N/A	COMMENTS
1.				
a. Charter School application, contract, and any amendments. (with all up to date appendices that meet required standards)	✓			
b. Current copy of Incorporation papers with bylaws and a letter from school or its attorney that they are legally compliant, including with the Sunshine law).	✓			
c. Evidence that the Governing Board has timely completed the required Governance Training	✓			
d. Evidence on school's website of the process for informing parents how to register a complaint or place an item on the Governing Board Agenda.	✓			Nick Robilar
e. A set of documents organized chronologically containing Governing Board meeting announcements, meeting agendas (including citizen input) and meeting minutes (dated and signed). Also, evidence that the Governing Board held at least two public meetings per school year in the school district and complied with the Sunshine Law relating to its meetings as indicated on Charter Tools and school web page.	✓			
f. Evidence of policies that have been adopted by the Governing Board. Each policy is dated, signed and adoption dates are included in minutes.			✓	
g. Evidence that the governing board of the school adopted policies establishing standards				

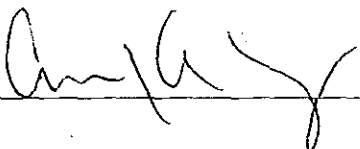
GOVERNANCE

<p>of ethical conduct for instructional personnel and school administrators, as defined in s.1012.01, to complete training on the standards; establish the duty of instructional personnel and school administrators to report, and procedures for reporting, alleged misconduct by other instructional personnel and school administrators which affects the health, safety, or welfare of a student; and include an explanation of the liability protections provided under ss. 39.203 and 768.095.</p>	<p>✓</p>			<p>Opening school PD faculty handbook</p>
<p>h. Provide a current organization chart for the school, including the relationship of the Board to the school's leadership. As indicated on Charter Tools.</p>	<p>✓</p>			
<p>i. Provide a list of current Board members. Provide a brief description of the person's background as indicated on Charter Tools.</p>	<p>✓</p>			
<p>2. Provide written strategies used to recruit, hire, train and retain qualified staff to achieve the best teaching and learning results.</p>	<p>✓</p>			
<p>3. Evidence that the school's mission/vision is reflected in the school's climate and progress of school achieving its mission.</p>	<p>✓</p>			
<p>4. Provide evidence of the existence of the parent representative and how the representative's contact information was provided annually in writing to parents and posted prominently on the charter school's website.</p>	<p>✓</p>			
<p>5. The school reported its student assessment data to each parent of a student at the school, the parent of a child on a waiting list for the school, the district in which the charter school is located, and the governing board of the school and that this information is on its Internet website.</p>	<p>✓</p>			<p>SSA - reports Jupiter Ed. Program Reports</p>
<p>6. Provide a letter from the school or its attorney confirming that an employee of the school, or his or her spouse, or an employee of the school's charter management organization, or his or her spouse, are not a member of the governing board of the charter school as indicated on Charter Tools.</p>	<p>✓</p>			

GOVERNANCE

7. Provide a letter from the school or its attorney confirming from the school that all members of its governing board are in compliance with these Florida Ethics Code provisions <u>112.313(2), (3), (7), and (12)</u> and <u>112.3143(3)</u> , including that they have no conflicts of interest as indicated on Charter Tools.	✓			
8. Provide a letter from the school or its attorney confirming that the school and or any of its employees, have not entered into a confidentiality agreement regarding terminated or dismissed instructional personnel or school administrators; or personnel or administrators who resign in lieu of termination, based in whole or in part on misconduct that affects the health, safety, or welfare of a student, and have not provided instructional personnel or school administrators with employment references or discuss the personnel's or administrators' performance with prospective employers in another educational setting, without disclosing the personnel's or administrators' misconduct as indicated on Charter Tools.	✓			

The highlighted indicators must be compliant in order for this category to be considered compliant.

Signature  Date 02/09/14

RATING

- Meets the Standard: All indicators are rated "C".
- Partially Meets the Standard: Up to 3 indicators rated as "N" and all other indicators as "C".
- Does Not Meet the Standard: 4 or more indicators are rated as "N".

School District of Palm Beach County
CHARTER SCHOOL REVIEW

<input type="checkbox"/>	ANNUAL
<input checked="" type="checkbox"/>	PROGRAM RENEWAL
<input type="checkbox"/>	END OF YEAR

CHARTER SCHOOL: Gardens School of Tech Arts

REVIEWED BY: Raren Marchetti

DATE OF VISIT: 2/9/16

Each reviewer will complete a review document by marking as follows:

COMPLIANT - Appropriate information and/or evidence of documentation is in place.

NON-COMPLIANT - Necessary information and/or evidence of documentation incomplete or is not in place at any level.

N/A - Not applicable-Explain in comment section.

INSURANCE				
Indicators	C	N	N/A	COMMENTS
1. Insurance policies are on file documenting active coverage with minimum limits as set forth in the charter contract.	X			
2. School Leaders-Errors & Omissions	X			
3. Commercial General Liability	X			
4. Workers' Compensation/Employers Liability	X			
5. Property Insurance (including boiler and machinery coverage)	X			
6. Benefits Administration Coverage (to provide employee benefits i.e. health, life)	X			
7. Vehicle Liability Insurance			X	No vehicles
8. Evidence that the certificates of insurance have been provided to the district office indicating the district as an additional insured.	X			
9. Evidence of procedures that identify various risks and provide a comprehensive approach to reduce the impact of losses.	X			

The highlighted indicators must be compliant in order for this category to be considered compliant.

Signature

[Handwritten Signature]

Date

2/9/16

RATING

Meets the Standard: All highlighted indicators are rated "C" and no more than 1 other indicator is rated as "N".

Partially Meets the Standard: All highlighted indicators are rated as "C" and no more than 2 other indicators are rated as "N".

Does Not Meet the Standard: Any highlighted indicator is rated as "N" or all highlighted indicators rated as "N" and more than 2 other indicators are rated as "N".

School District of Palm Beach County
CHARTER SCHOOL REVIEW

<input type="checkbox"/>	ANNUAL
<input checked="" type="checkbox"/>	PROGRAM RENEWAL
<input type="checkbox"/>	END OF YEAR

CHARTER SCHOOL: Gardens School of Technology Arts

REVIEWED BY: Nicholas Parks

DATE OF VISIT: _____

Each reviewer will complete a review document by marking as follows:

COMPLIANT - Appropriate information and/or evidence of documentation is in place.

NON-COMPLIANT - Necessary information and/or evidence of documentation incomplete or is not in place at any level.

N/A - Not applicable-Explain in comment section.

FINANCE & OPERATIONS				
Indicators	C	N	N/A	COMMENTS
1. BUDGET PREPARATIONS				
a. Evidence of an established budget planning process. Provide a copy of procedures or provide a narrative of the budget process.	X			
b. Evidence that budget has been approved by Governing Board and is monitored regularly to safeguard finances. (Copy of minutes)	X			
c. Evidence that budget amendments are approved by board. (Copy of minutes)			X	School has stayed within budget and no amendments have been necessary.
d. The Board - approved budget was submitted to the District in a timely manner.		X		Due 7/1 Submitted 10/29
2. FINANCIAL ACCOUNTING				
a. Evidence of fiscal accounting system for various funds – General, Special Revenue, Capital Outlay.	X			
b. Evidence that expenditures do not exceed available resources in each fund.	X			
c. Evidence of financial accounting policies and procedures and that they meet generally accepted standards of fiscal management. (Copy of and access to procedures manual).	X			
d. Evidence that monthly financial statements are prepared using the FDOE required format.	X			
e. Evidence that monthly financial statements are timely filed with the PBCS District.	X			
f. Evidence that audited annual financial report is prepared in accordance with GASB 34 requirements and submitted by the required date.	X			
g. Evidence that capital expenditures (if applicable) are reported separately on the monthly and/or annual financial statements and was expended in accordance with 1013.62 F.S. Provide a detail of all capital outlay related expenditures. (Based on	X			


FINANCE & OPERATIONS

Indicators	C	N	N/A	COMMENTS
excess of administrative fee and charter school capital outlay.)				
h. Evidence of established system of accounting for fixed assets in accordance with FL Admin Code Ch. 69I-73. (Provide a copy of procedures or provide a narrative of the fixed asset accounting process.)	X			
i. Evidence of a property records inventory and submitted timely (Copy of report). FL Admin. Code Ch. 69I-73		X		Due 9/30 Submitted on 10/30
j. Cost report data submitted to District by required date.	X			
k. Evidence that Florida Teachers Classroom Supply (Lead Teacher) was paid to teachers by September 30 th of each year.		X		Check due 9/30 Issue date of checks: 10/15
l. Evidence that audit management letter response was approved by the Board. (Copy of minutes)	X			
m. Evidence that school is in compliance with prompt payment and other payment terms. Provide detail of accrued liabilities including AP aging, notes, loans, lines of credit and/or related party transactions.	X			
n. Evidence financial corrective action plan has been established (if applicable) and submitted to the PBC School District.			X	
o. Evidence that there are no material weaknesses or significant deficiencies in internal controls identified by a qualified independent auditor.	X			
p. Evidence that school provided access to requested documents and cooperated with District's Inspector General, auditor and/or other school official monitoring the school.	X			
q. Evidence of compliance with class size reduction as applicable to charter schools.	X			
3. GRANTS ACCOUNTING (IF APPLICABLE)				
a. Established grant accounting procedures. (Copy of or access to procedures manual.) Uniform Grant Guidance (UGG) (aka Super Circular or Omni Circular)		X		School received grant funding but did not provide any of the accounting procedures on charter tools.
b. Grant funds accounted for separately identified in the monthly, quarterly and annual financial statements.		X		School received grant money but does not have it accounted for properly on their monthly F/S.
4. OTHER STATUTORY REQUIREMENTS				
a. The Charter Schools website includes the school's annual budget, the independent fiscal	X			

FINANCE & OPERATIONS

Indicators	C	N	N/A	COMMENTS
audit, and the minutes of the governing board meetings (at least quarterly).				
5. FINANCIAL VIABILITY				
a. Maintained adequate cash flow to meet rent, salary and benefit requirements.	X			
b. Met financial obligations to District and other vendors.	X			
c. Maintain an adequate fund balance.	X			
d. Maintained steady FTE counts.	X			

Signature



Date

2/25/2016

RATING

_____ Meets the Standard: All indicators are rated "C" unless "N/A".

_____ **X** _____ Partially Meets the Standard: No more than 10 indicators are rated "N"

_____ Does Not Meet the Standard: Neither of the above, or meets criteria for financially deteriorating condition.

School District of Palm Beach County
CHARTER SCHOOL REVIEW

___	ANNUAL
X	PROGRAM RENEWAL
___	END OF YEAR

CHARTER SCHOOL: Gardens School of Technology Arts

REVIEWED BY: Connie Dinolfo

DATE OF VISIT: February 9, 2016

Each reviewer will complete a review document by marking as follows:

COMPLIANT - Appropriate information and/or evidence of documentation is in place.

NON-COMPLIANT - Necessary information and/or evidence of documentation incomplete or is not in place at any level.

N/A - Not applicable-Explain in comment section.

FOOD SERVICE					
Indicators	C	N	N/A		COMMENTS
1. Evidence of procedures and policies covering the administration and operation of the School Food Service program as stated in the agreement.	x				
2. Evidence that Free and Reduced Applications have been made available to every household.	x				
3. The charter school has potable water available to all students during meal service per guidelines set by the USDA.	x				
4. Meals served meet all guidelines as set by the National School Lunch Program.	x				
5. Procedures are in place to ensure that proper temperatures, storage and handling of foods are appropriate to safety and sanitation standards.	x				
6. Current Sanitation Certificate and Health Inspection permit from the Health Department is posted and on file with School Food Service.	x				
7. Evidence that the charter school is in compliance with the USDA competitive Food Rule and Smart Snacks.	x				
8. A signed copy of the Charter School Food Service Agreement is on file if applicable.	x				
9. Production records (Satellite Delivery Tickets) documenting menu items, portion sizes, amount prepared and served are completed and returned to the base school on a daily basis.	x				

FOOD SERVICE					
Indicators	C	N	N/A		COMMENTS
10. Evidence that the school has purchased proper equipment as stated in the agreement.		X			You will be required to purchase an ice machine for August FY 16. Per Annual Charter Agreement.
11. Evidence that "Justice for all" posters are posted where meals are served.	X				
12. Evidence that a ServSafe certification is current and on file with School Food Service.	X				
13. Evidence that the Charter School is communicating with the base school manager on a consistent basis.	X				
14. Evidence that the Charter School has attended and completed the Annual Training by School Food Service Department during the summer.	X				

The highlighted indicators must be compliant in order for this category to be considered compliant.

Signature



Date

08-9-16

RATING

_____ Meets the Standard: All highlighted indicators are rated as "C" and no more than 2 other indicators rated as "N".

_____x_____ Partially Meets the Standard: All highlighted indicators are rated as "C" and no more than 3 other indicators rated as "N".

_____ Does Not Meet the Standard: ANY highlighted Indicator is rated as "N" or ALL highlighted indicators are rated as "C" AND all other indicators are rated as "N."

Case # 16-474

Gardens School of Technology Arts, Inc.

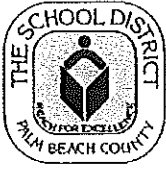
Exhibit # 33

Palm Beach School District

Charter Department

Mid-Year Review of GSOTA

FY 2013 – 2014



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA
DEPARTMENT OF CHARTER SCHOOLS
3300 Forest Hill Boulevard, 1bis Bldg. E
West Palm Beach, FL 33406

JAMES T. PEGG
Director

JOSEPH M. LEE, Ed.D.
Assistant Superintendent

Ph: 561.434-7460 Fax: 561.434-7498
www.palmbeachschools.org/CharterSchoolsSDPBC

CERTIFIED MAIL RETURN RECEIPT REQUESTED AND EMAIL

February 27, 2014

Dr. Kevin Kovacs
Gardens School of Technology Arts
9153 Roan Lane
Palm Beach Gardens, FL 33403

Enclosed please find your charter school's **FY2013-14 Mid-Year Review** with attachments. There is also additional review feedback available on information submitted via **Compliance Management System (CMS)**. Please login to CMS to access this feedback.

For any items(s) marked as "**deficient**" or "**no**", this letter serves as your notice of non-compliance. You are now expected to correct any and all non-compliant items. Safety items need to be addressed immediately. Otherwise, you have thirty (30) days (unless your charter specifies a different amount of time) to correct the deficiency(s).

If you need assistance from the Charter Schools Department or the District, or have questions about the corrective actions, please contact us as soon as possible. This Department and the District are willing to provide recommendations and support to your school to resolve the issue(s) depending on the item(s), and to what extent our assistance can be provided.

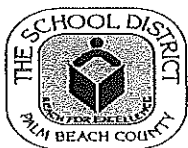
During the **FY2013-14 Mid-Year Review** process, you were provided opportunities to respond to the review team. If you want to further respond or provide an explanation, discuss further the contents of the review, or disagree with the team's finding(s) within the review, please contact the office of Charter Schools Department within ten (10) days of this letter.

Sincerely,

James T. Pegg
Director

CC: Debra K. Moore, Board Chair

Enclosure



The School District of Palm Beach County
Department of Charter Schools
Charter School Mid-Year Review Report
2013-2014



Name of School: Gardens School of Technology Arts
Name of Reviewers: Miriam Williams, Karen Marchetto, Karla Branch, Amy Brown, Christine Ferlita, Fallon Felsen, Deborah Hardman, Steve Byrne, Connie Dinolfo, Lyn Bryant, Monica Thompkins, Lisa Van Deree

Date of Visit: February 20, 2014

INTRODUCTION

Pursuant to F.S. 1002.33(5) (b) (1.a, b, e, & f) *Sponsor duties* – The sponsor shall monitor and review the charter school in its progress toward the goals established in the charter. The sponsor shall monitor the revenues and expenditures of the charter school and perform the duties provided in s. 1002.345. The sponsor shall ensure that the charter is innovative and consistent with the state education goals established by s. 1000.03(5). The sponsor shall ensure that the charter school participates in the state's education accountability system. Additionally, if the school earned a grade of "D" or "F", the sponsor must annually review implementation of the school improvement plan to monitor the school's continued improvement pursuant to F.S. 1002.33 (9) (n). Moreover, provisions in your Charter Contract with the School Board provide for the sponsor's ability to monitor your school.

Therefore, Mid-Year Reviews are conducted to assess areas in need of improvement and/or correction and to identify additional support systems that may be needed to assist your school. **The Mid-Year Review of your Charter School was performed from December 2013.** A review rating of *Compliant* or *Deficient* is assigned to each section.

Prior to the review, the Department of Charter Schools provided, in advance, a draft of the Mid-Year checklist to the Governing Board Chair and/or the Charter School Principal. The Department of Charter Schools collaborated with the Principal to schedule the date and time of the review visit. Additionally, at the end of the review, the Principal was provided a copy of the handwritten report.

The summary of the Mid-Year Review for your school is attached and indicates that your school is in need of corrective action in one or more deficient areas. Please be reminded that the attached corrective action form should be based upon your progress in the areas of deficiency **subsequent** to the Mid-Year Review.

The overall review process consisted of several site visits by various District staff members (e.g., ESOL/LEP/ELL, ESE, Governance, Personnel, Facilities & Environment, etc.).

The Mid-Year Review of the school covered the following areas:

- Student Support Services
- Reading Curriculum
- Assessment
- Personnel/Professional Development
- Policies and Procedures
- Governance
- Facilities and Environment
- Communication-Parent/School
- ESOL Services
- ESE Services

Mid-Year Review Summary (SY 2013-2014)

Gardens School of Technology Arts was reviewed in the categories listed in the chart below by the Department of Charter Schools and other School District experts. Here are the ratings of all category areas for your Mid-Year Review.

	CATEGORY AREAS	RATING
1	Curriculum and Instruction	D
2	Personnel/Professional Development	C
3	Assessment/Student Performance	D
4	Finance and Operations	N/A
5	Insurance	C
6	Food Service	C
7	Facilities and Environment	C
8	Governance	C
9	ESOL/ELL Services	C
10	ESE Services	D
11	Transportation	C

JP 2/26/14

Ratings were assigned based on the following criteria:	
Compliant	The Category Areas were found to be acceptable; no critical component was found deficient or only one area of a category was found to be deficient and this one area was not a critical component. A <i>critical</i> component is defined as one that impedes the health, safety, and/or welfare of the student. A <i>critical</i> area may also pertain to ESE, ESOL, or student achievement.
Deficient	Three or more areas were found to be deficient and/or one <i>critical</i> area in a category was cited as deficient.

Corrective Action Plan

CATEGORY RATING:			
Findings	Person Responsible	Corrective Action	Date Completed
Section 1			
Section 2			
Section 3			
Section 4			
Section 5			
Section 6			
Section 7			
Section 8			
Section 9			
Section 10			
Section 11			

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts – Elementary K-5

Reviewed by: Olive Horne – Elementary Literacy Specialist - Dept. of Curriculum
 Robin White – Elementary Literacy Specialist - Dept. of Curriculum
 Karla J. Branch, Elementary Literacy Support – Dept. of Charter Schools

Date of Visit: February 20, 2014

Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable-Explain in comment section.
- CMS -- Upload documents to Charter Monitoring System

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS
1. Curriculum and Instruction					
a. Evidence of a <u>detailed</u> curriculum plan that illustrates how students will be provided services to attain the NGSSS, Sunshine State Standards and CCS. (Provide a copy of plan.)		X			No Evidence of focus calendars including NGSS and CCS for all elementary grade levels.
b. Evidence of the curriculum plan's learning goals and objectives including how goals will be evaluated to indicate academic improvement.	X				Academic goals were listed on the thumb drive provided to reviewers.
c. Evidence that teachers are using a variety of instructional methods (i.e., cooperative groups, teacher directed, project-based, visual instructional aids, learning centers).		X			No evidence of a variety of instructional methods being used in the classrooms; i.e. small groups, learning centers and classroom set up. Classroom configurations were not conducive to a balanced literacy approach. Intermediate rooms did not have evidence of a small group area.
d. Evidence of lesson plans that incorporate NGSSS, CCS in all areas of instruction. (Lesson Plans Will Be Reviewed)		X			No evidence of differentiated small group lesson plans in all grade levels with the exception of 2 nd grade.
e. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>at grade level</u> . (Documentation required)*		X			No evidence of differentiated small group lesson plans in all grade levels with the exception of 2 nd grade.

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS
f. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>above grade level</u> . (Documentation required)*		X			<u>No evidence</u> of differentiated small group lesson plans in all grade levels with the exception of 2nd grade.
g. Evidence that the reading curriculum has differentiated strategies that will be used for students (level 1 and 2) reading <u>below grade level</u> . (Documentation required)*		X			<u>No evidence</u> of differentiated small group lesson plans in all grade levels with the exception of 2nd grade.
h. Teachers demonstrate appropriate classroom management techniques during observation.	X				Leveled color charts, expectations posted
i. Evidence parents have been provided sufficient information on whether their child is reading at grade level. (Documentation required)*	X				Deficiency letters, EDW reports, and access to Jupiter Grades
j. Evidence parents have been provided sufficient information on whether their child has gained at least a year's worth of learning for every year spent at the Charter School. (Documentation required)*	X				EDW Reports, Report Cards
k. Evidence of a Remediation Plan for Level I and Level II students as required by the state.		X			<u>No evidence</u> of Immediate Intensive Intervention (iii) in lesson plans.
l. Evidence that there is a plan to evaluate the effectiveness of the curriculum program.	X				EDW reports, District Diagnostic Data, FCAT
m. Evidence of identification and acquisition of appropriate technologies and a means to promote safe, ethical and appropriate uses of technology.	X				Computers , Mimeo boards, laptops, and class sets of tablets
n. Evidence that the instructional staff receives training that will support the distinctive curriculum used at the charter school.	X				Supplied evidence of PDD Agendas/sign-ins
o. Evidence that a researched based reading program is the primary focus of the curriculum and that resources including curriculum guides and materials are provided to support the curriculum, including staff development.		X			<u>No evidence</u> of focus calendars including NGSS and CCS for all elementary grade levels. <u>Treasures Reading Series</u> and <u>Triumph Learning</u> are being used as the Reading Curriculum not as a resource to support the NGSS and CSS.

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS
p. Evidence of reading block.		X			No evidence of small group instruction. The classroom configurations were not conducive to a balanced literacy approach. Intermediate rooms did not have evidence of a small group area. Classroom libraries were sparse (some not leveled or in genres), although students are able to go to RAZ kids and Reading A-Z on their tablets. The reading block was posted in classrooms on a schedule – 90 minutes.
q. Evidence of additional instructional time for struggling readers as required by DOE.		X			No evidence of Immediate Intensive Intervention (iii) in lesson plans. The principal did inform us that there is a Tues. /Thurs. tutorial.
r. Documentation that all instructional activities are aligned to the NGSSS, Sunshine State Standards, CCS and are supportive of the distinctive curriculum.		X			No evidence of differentiated small group lesson plans in all grade levels with the exception of 2nd grade. Standards were indicated in lesson plans for whole group instruction.
s. Classroom environment is reflective of the school's commitment to reading. (Classroom libraries)		X			No evidence of differentiated small group lesson plans in all grade levels with the exception of 2 nd grade. Classroom libraries were sparse (some not leveled or in genres), although students are able to go to RAZ kids and Reading A-Z on their tablets. Classroom configurations were not conducive to a balanced literacy approach. Intermediate rooms did not have evidence of a small group area.
t. Evidence the school is being innovative as stated in its Charter and Application.	X				Technology integration

ADDITIONAL NOTES/COMMENTS:

Reviewers shared a concern regarding Reading Running Records. The coding was inaccurate (no M, S, V marks, self-corrections analysis/ratio) and assessments were not completely filled out as instructed in the district trainings. Please send teachers who have not been formally trained by going to the Course Registration, on the district website, for a list of dates, and registration.

8 indicators out of 20 met with compliance

Signature: *Olive Horne*

Signature: *Robin White*

Signature: *Karla J. Branch*

Date: *February 24, 2014*

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts

Reviewed by: Fallon Felsen and Karen Marchetto

Date of Visit: 2/20/14

Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable-Explain in comment section.
- CMS -- Upload documents to Charter Monitoring System

CURRICULUM AND INSTRUCTION -SECONDARY					
Indicators	Y	N	N/A	CMS	COMMENTS
1. Curriculum and Instruction					
a. Evidence of a <u>detailed</u> curriculum plan that illustrates how students will be provided services to attain the NGSSS, Sunshine State Standards and CCS. (Provide a copy of plan.)		X			No evidence of a curriculum plan that illustrates how NGSSS and CCSS will be covered.
b. Evidence of the curriculum plan's learning goals and objectives including how goals will be evaluated to indicate academic improvement.	X				Academic goals listed in curriculum plan; application states district assessments used
c. Evidence that teachers are using a variety of instructional methods (i.e., cooperative groups, teacher directed, project-based, visual instructional aids, learning centers).	X				
d. Evidence of lesson plans that incorporate NGSSS, CCS in all areas of instruction. (Lesson Plans Will Be Reviewed)		X			No evidence of lesson plans that include NGSSS and/or CCSS. Objectives were stated, but the connection to the standards was unclear.
e. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>at grade level</u> . (Documentation required)*	X				No evidence of a specific reading curriculum.
f. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>above grade level</u> . (Documentation required)*	X				No evidence of a specific reading curriculum.

CURRICULUM AND INSTRUCTION - SECONDARY					
Indicators	Y	N	N/A	CMS	COMMENTS
g. Evidence that the reading curriculum has differentiated strategies that will be used for students (level 1 and 2) reading <u>below grade level</u> . (Documentation required)*	X				No evidence of a specific reading curriculum. Students were identified in documentation, but strategies were not provided.
h. Teachers demonstrate appropriate classroom management techniques during observation.	X				
i. Evidence parents have been provided sufficient information on whether their child is reading at grade level. (Documentation required)*	X				FCAT reports, diagnostic reports
j. Evidence parents have been provided sufficient information on whether their child has gained at least a year's worth of learning for every year spent at the Charter School. (Documentation required)*	X				Jupiter Grades; FCAT diagnostics
k. Evidence of a Remediation Plan for Level I and Level II students as required by the state.		X			No evidence of a remediation plan specifically designed for Level I and II students.
l. Evidence that there is a plan to evaluate the effectiveness of the curriculum program.	X				District assessments
m. Evidence of identification and acquisition of appropriate technologies and a means to promote safe, ethical and appropriate uses of technology.	X				Evidence of several technological tools, programs, and equipment.
n. Evidence that the instructional staff receives training that will support the distinctive curriculum used at the charter school.	X				CRISS training provided by Dept. of Secondary Curriculum; agendas of school-based training
o. Evidence that a researched based reading program is the primary focus of the curriculum and that resources including curriculum guides and materials are provided to support the curriculum, including staff development.		X			No evidence of a researched based reading program.
p. Evidence of reading block.		X			No evidence of a reading block that is taught by a reading endorsed or certified teacher. See notes below.
q. Evidence of additional instructional time for struggling readers as required by DOE.	X				Tutorial schedule
r. Documentation that all instructional activities are aligned to the NGSSS, Sunshine State	X				School's resources and materials are aligned to

CURRICULUM AND INSTRUCTION -SECONDARY					
Indicators	Y	N	N/A	CMS	COMMENTS
Standards, CCS and are supportive of the distinctive curriculum.					CCSS and NGSSS.
s. Classroom environment is reflective of the school's commitment to reading. (Classroom libraries)	X				Books, anchor charts
t. Evidence the school is being innovative as stated in its Charter and Application.	X				Variety of technology programs offered across all grade levels
ADDITIONAL NOTES/COMMENTS:					
P) When visiting a classroom that was supposed to be doing reading, the teacher was doing a math lesson. Currently, none of the secondary teachers have a reading endorsement or certification.					

15 indicators out of 20 met with compliance

Signature: Fallon Felsen Date: 2/21/14 Signature: Karen Marchetta Date: 2/21/14

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts

Reviewed by: Miriam Williams

Date of Visit: 2/20/2014

Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable-Explain in comments section.
- CMS--Upload documents to Charter Monitoring System

PERSONNEL					
Indicators	Y	N	N/A	CMS	COMMENTS
a. Evidence of Performance Evaluation Systems (instructional personnel and administrators) as required by law. <i>(Documentation required)*</i>	X				Evidence provided
b. Evidence of Out-of-field agreements are on file for appropriate teachers.	X				Evidence provided
c. Documentation, substantiating the expertise in field of specialty, is on file for teachers who are determined highly qualified in accordance with F.S. §231.15(1). <i>(Documentation required)*</i>	X				Reviewed at Charter Office via CMS/MS/MS/MS
d. Copies of contracts for contractual services and documentation of services provided are on file.	X				Reviewed at Charter Office via CMS/MS/MS/MS
e. A complete list of employees is on file and includes addresses and phone numbers.	X				Reviewed at Charter Office via CMS/MS/MS/MS
f. Training/staff development activities have been documented, including topic, date, and list of participants.	X				Reviewed at Charter Office via CMS/MS/MS/MS
g. Charter School Authorization Forms for all employees are on file	X				Reviewed at Charter Office via CMS/MS/MS/MS
h. Teaching certificates/letters of eligibility for appropriate teachers.	X				Reviewed at Charter Office via CMS/MS/MS/MS
i. Evidence that a highly qualified instructional staff is employed.	X				Reviewed at Charter Office via CMS/MS/MS/MS

9 indicators out of 9 met with compliance

Signature Miriam Williams Date 2/20/14

Signature Monica Thompkins Date 2/20/14

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: _____ Gardens School of Technology _____

Reviewed by: _____ Sandra Raymond Roberts _____

Date of Visit: _____ February 20, 2014 _____

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A -- Not applicable-Explain in comments section,

CMS - Upload documents to Charter Monitoring System

ASSESSMENT					
Indicators	Y	N	N/A	CMS	COMMENTS
<p>A. Description of method used to identify the educational strengths and needs of students.</p> <p><i>Provide copies of the following data from the Educational Data Warehouse reports:</i></p> <p>1. <u>Reading Profile (Most Recent) - RTSOR0036-</u> Report shows the most recent scores for FCAT SSS Reading, Diagnostic Reading, Fluency, Elementary Literacy Assessment, and SRI.</p> <p>2. <u>Math Profile (Most Recent) - RTSOM0037-</u> Report shows the most recent scores for FCAT SSS Math and the IRT scores for Math Diagnostic.</p> <p>3. <u>Science Profile - RTSFS0121-</u> Report shows the overall scale score and level for the most recent FCAT SSS Science. In addition, the Science Diagnostic IRT score and level are shown for the current school year.</p> <p>4. <u>Writing Profile - RTSFW0123-</u> Report shows the score for the most recent FCAT SSS Writing exam, as well as, all Palm Beach Writes scores for the current school year.</p>		X			<p>Reading, Running, Records assessment for students not up to date. Secondary students not scheduled in an Intensive Reading course.</p> <p>Evidence-Winter Diagnostic results</p> <p>Evidence-Winter Diagnostic results</p> <p>No evidence-Palm Beach Writes data not up to date—missing data for Windows 4/5.</p>

<p>5. <u>Diagnostic Diamond Report - RTODA0173-</u> Report contains Fall and Winter Diagnostic school results that include each question's content focus, benchmark, type, and cognitive level. It compares the school results to the district results for each question.</p>		X		No evidence
<p>6. <u>EOC Diagnostic Diamond Report - RTSDA0474-</u> Report contains End of Course (EOC) Diagnostic percent correct and provides comparison of grade level results to District results for the same grade level or school results to District results.</p>		X		No evidence
<p>B. Evidence of an accountability plan including a method for reporting the results to the charter school community. (Evaluation of educational program)</p> <p><i>Provide copies of the from the following Florida Department of Education (FDOE) and EDW reports:</i></p> <p>1. <u>FY13 School Improvement Plan - FDOE</u> report</p> <p>2. <u>School Improvement Planning - Differentiated Accountability - RXOOA0197-</u> Report shows percent of students that achieved proficiency and made gains for each subgroup (SSS FCAT Level 3 and above) for reading, math, science and writing.</p> <p>3. <u>Discipline Dashboard - RDGOA0494</u> - Shows discipline data by month, location, and type.</p> <p>4. <u>Absences by Period Summary-RASOA0318</u> - Shows the total school absences and tardies by period.</p>	X	X		Evidence - Academic Plan No evidence No evidence No evidence
<p>C. Evidence of progress monitoring plan. (Copy of plan)</p> <p><i>Provide copies of the following EDW data reports:</i></p> <p>1. <u>Accountability Dashboard-</u> Dashboard that provides a High level overview of A+ and AYP statuses using Diagnostic tests as a leading indicator.</p>		X		No evidence

<p>2. <u>Proportion of a Year's Growth</u>- Reports showing school PYG gains over a five-year period on the FCAIT SSS Reading and Mathematics tests.</p> <p>3. <u>ELEMENTARY SCHOOL--Monitoring Progress Toward A+ Goals--RTOOA0380</u>- Report is used to monitor school targets toward meeting A+ Goals. Diagnostic results are compared to four different targets: Standard, Self and Others and Self Selected. Only accountable students are included in this report.</p> <p>4. <u>MIDDLE SCHOOL--Monitoring Progress Toward A Plus Goals for Middle Schools- RTOOA0530</u>—Report is used to monitor school targets toward meeting A+ Goals for middle schools. Additionally, this report estimates Algebra participation and Algebra performance.</p> <p>5. <u>HIGH SCHOOL-- Monitoring Progress Toward A Plus Goals for High Schools--RTOOA0445</u>- Report is for schools with high school grade levels that are receiving school grades (typically High schools) only. Additionally this report estimates Graduation Rate, At Risk Graduation Rate, Acceleration Participation (minimum and maximum), Acceleration Performance, Reading College Readiness and Math College Readiness. For diagnostics results, report contains only the accountable students.</p>			<p>X</p> <p>X</p> <p>X</p> <p>X</p>		<p>No evidence available-no comparison data</p> <p>No evidence</p> <p>No data available</p>
<p>D. Implementation of the District Student Progression Plan:</p> <p>1. Students participate in all age appropriate district and state assessments. Results are communicated to parents.</p> <p>2. Procedures are in place to report quarterly grades and mid-term progress to parents/guardians and students.</p> <p>3. Students performing below grade level in reading, writing, mathematics, or science are identified and provided remedial instruction.</p> <p>4. Procedures are in place for graduation, promotion, remediation, retention-including a process for communicating to parents/guardians and students.</p>	<p>X</p> <p>X</p> <p>X</p> <p>X</p>				<p>Evidence-report cards, Jupiter Rd.-parents may view items sent out by school. Paper copies are available as per principal.</p> <p>Middle school students take electronic devices home.</p> <p>Tutoring- Tuesday/Thursday- Math, Reading 3-8, Writing gr. 4 and 8, Science gr. 5 and 8</p>

<p>5. PMP's have been written for students performing below grade level in reading, writing, mathematics, and/or science. (documentation required)*</p>		X			<p>School wide Monitoring report hardcopy shown to me by the principal dated 1-14-2014. Document not entered on TERMS as evidence, Did not view a signed parent copy of PMP.</p>
<p>6. PMP's indicate parent/guardian participation in the process.</p>		X			
<p>7. PMP's have been entered on TERMS.</p>		X			
<p>E. Monitoring Student Progress:</p>					
<p>1. <u>Individual Student Form - RSSOA0082-</u> Report shows a profile detailing demographics, attendance, discipline, grades, testing and special programs for an individual student.</p>	X				<p>Evidence--use school developed data chat form.</p>
<p>2. <u>SALP - R1TOR0035-</u> Report shows individual student profile for Student Assessment Literacy Project (SAL-P). This student listing contains FCAT SSS and SRI and Diagnostics assessment results.</p>					
<p>3. <u>SALP High School - RTSOA0454-</u> Report shows individual student profile for Student Assessment Literacy Project (SAL-P), SAT, ACT and CPT. This student listing contains FCAT SSS and SRI and Diagnostics assessment results.</p>					
<p>4. <u>Individual Graduation Status - RSSYA0342-</u> Report shows FCAT, GPA, Credits and Community Service Hours. (Note: This report does not take into account the number of credits per subject area. Report is only valid for students in grades 9 to 12.)</p>					

11 indicators out of 23 met with compliance

Signature *Jenna Layman* Date 2.25.2014

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology

Reviewed by: Lyn Bryant

Date of Visit: 2/11/14
 CMS Review

Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable-Explain in comments section.
- CMS- Upload documents to Charter Monitoring System

INSURANCE					
Indicators	Y	N	N/A	CMS	COMMENTS
a. Insurance policies are on file documenting active coverage with minimum limits as set forth in the charter contract.				✓	Evidence Provided
b. School Leaders-Errors & Omissions				✓	Evidence Provided
c. Commercial General Liability				✓	Evidence Provided
d. Workers' Compensation/Employers Liability				✓	
e. Property Insurance (including boiler and machinery coverage)				✓	Evidence Provided
f. Benefits Administration Coverage (to provide employee benefits i.e. health, life)		✓			no evidence provided
g. Automobile Liability Insurance				✓	Evidence Provided
h. Evidence that the certificates of insurance have been provided to the district office indicating the district as an additional insured.				✓	evidence provided
i. Evidence of procedures that identify various risks and provide a comprehensive approach to reduce the impact of losses.				✓	Evidence provided
ADDITIONAL NOTES/COMMENTS:					

8 indicators out of 9 met with compliance

Signature Lyn Bryant

Date 2/11/14

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology

REVIEWED BY: Debbie Hardman

DATE OF VISIT: 2/20/14

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable-Explain in comments section.

CMS - Upload documents to Charter Monitoring System

FOOD SERVICE					
Indicators	Y	N	N/A	CMS	COMMENTS
a. Evidence of procedures and policies covering the administration and operation of the School Food Service program as stated in the agreement.	x				
b. Evidence that the Governing Board has adopted policies to provide for an appropriate food and nutrition program for students consistent with Local, State and Federal guidelines.	x				
c. Evidence that Free and Reduced Applications have been made available to every household.	x				
d. The charter school has portable water available to all students during meal service per guidelines set by the USDA.	x				
e. Meals served meet all guidelines as set by the National School Lunch Program.	x				
f. Procedures are in place to ensure that proper temperatures, storage and handling of foods are appropriate to safety and sanitation standards.	x				
g. Current operating permit from the Health Department is posted.	x				
h. Evidence that the charter school is in compliance with the USDA competitive Food Rule.	x				
i. A signed copy of the Charter School Food Service Agreement is on file if applicable.	x				
j. Production records (Satellite Delivery Tickets) documenting menu items, portion sizes, amount prepared and served are completed and returned to the base school on a daily basis.	x				

10 indicators out of 10 met with compliance

Signature Debbie Hardman Date 2/20/14

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology

Reviewed by: Lyn Bryant

~~Date of Visit:~~ CMS Review 2/11/14

Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable-Explain in comments section.
- CMS - Upload documents to Charter Monitoring System

FACILITIES					
Indicators	Y	N	N/A	CMS	COMMENTS
a. A copy of the initial Certificate of Occupancy issued by the Code Enforcement Department of jurisdiction is on file at the school and has been submitted to the district, including a copy to cover any renovations.				✓	Evidence Provided
b. A copy of the most recent Fire Safety Inspection Report per Florida Statute Sec. 1013.12 (5) (b) showing that the school's facilities meet the building code and fire prevention code and/or any deficiencies are being corrected in accordance with the report.				✓	Evidence Provided
c. A copy of the semi-annual County Health Department sanitation inspection is on file at the school and submitted to the district, including standards for serving food and drinking water.				✓	Evidence Provided
d. A copy of the schedule for Evacuation and Fire Drills for each school year as required by the Fire Marshall of jurisdiction including the dates and comments of actual drills performed. Unannounced drills shall be performed a minimum of every other month. This documentation is on file at the school and submitted to the district.				✓	Evidence Provided
e. Evidence that procedures are in place to manage and regulate hazardous materials.				✓	Evidence Provided
f. Evidence that procedures are in place to ensure the review of material safety data sheets (MSDS) for every chemical product used in these and the maintenance activities each charter facility to be sure that all unused and waste chemical products are properly labeled.				✓	Evidence Provided
g. Per Florida Statute Sec. 1013.33 and 1013.35 charter schools participate in the annual Tentative Educational Facilities Work Plan. The following information must				✓	Evidence Provided

FACILITIES					
Indicators	Y	N	N/A	CMS	COMMENTS
be reported to the district: 1. Location of charter 2. Number of relocatables 3. Owner 4. Year started/scheduled 5. Total number of student stations 6. Current student enrollment 7. Years in contract 8. Charter school projections This information is part of the district's concurrency calculations and must be included in the Five Year Capital Improvement Plan.					
ADDITIONAL NOTES/COMMENTS:					

Signature Lynda Payne 7 indicators out of 7 met with compliance
 Date 2/11/14

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts

Reviewed by: Miriam Williams, Monica Thompkins and Lyn Bryant

Date of Visit: 2/20/14

Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable-Explain in comments section.
- CMS - Upload documents to Charter Monitoring System

GOVERNANCE					
Indicators	Y	N	N/A	CMS	COMMENTS
The following essential documents are available, up-to-date, signed, dated, appropriately organized, readily accessible, and professionally presented in a notebook or available on a public website.					
a. Charter School application, contract, and any amendments. (with all up to date appendices that meet required standards)	X				Evidence provided
b. Current copy of Incorporation papers with bylaws. And a letter from school or its attorney that they are legally compliant, including with the Sunshine law).				✓	Evidence provided
c. Evidence that the Governing Board has timely completed the required Governance Training				✓	Evidence Provided
d. Evidence of documentation informing parents how to register a complaint or place an item on the Governing Board Agenda.	X				Evidence provided
e. A set of documents organized chronologically containing Governing Board meeting announcements, meeting agendas (including citizen input) and meeting minutes (dated and signed). Also, evidence that the Governing Board held at least two public meetings per school year in the school district and complied with the Sunshine Law relating to its meetings. These items should be available upon request.	X				Evidence provided
f. Evidence of policies that have been adopted by the Governing Board. Each policy is dated,				✓	Evidence provided

GOVERNANCE					
Indicators	Y	N	N/A	CMS	COMMENTS
signed and adoption dates are included in minutes.					
g. Evidence that the governing board of the school adopted policies establishing standards of ethical conduct for instructional personnel and school administrators, as defined in s.1012.01, to complete training on the standards; establish the duty of instructional personnel and school administrators to report, and procedures for reporting, alleged misconduct by other instructional personnel and school administrators which affects the health, safety, or welfare of a student; and include an explanation of the liability protections provided under ss. 39.203 and 768.095.	X				Evidence provided
h. Provide a current organization chart for the school, including the relationship of the Board to the school's leadership.				✓	Evidence Provided
i. Provide a list of current Board members. Provide a brief description of the person's background.				✓	Evidence Provided
1. Provide written strategies used to recruit, hire, train and retain qualified staff to achieve the best teaching and learning results.				✓	Evidence Provided
2. Evidence that the school's mission/vision is reflected in the school's climate and progress of school achieving its mission.	X				Evidence provided
3. Provide evidence of the existence of the parent representative and how the representative's contact information was provided annually in writing to parents and posted prominently on the charter school's website.	X				Evidence provided
4. The school reported its student assessment data to each parent of a student at the school, the parent of a child on a waiting list for the school, the district in which the charter school is located, and the governing board of the school and that this information is on its Internet website.	X				Evidence provided
5. Evidence the school maintains a website that enables the public to obtain information regarding the school; the school's academic performance; the names of the governing board members; the					

X - Reviewed/Charter Office via CMS/BS/HR/MS

GOVERNANCE					
Indicators	Y	N	N/A	CMS	COMMENTS
programs at the school; any management companies, service providers, or education management corporations associated with the school; the school's annual budget and its annual independent fiscal audit; the school's grade pursuant to s. 1008.34; and, on a quarterly basis, and the minutes of governing board meetings.	Reviewed at Charter Office on 2/13/14				
6. Provide a letter from the school or its attorney confirming that an employee of the school, or his or her spouse, or an employee of the school's charter management organization, or his or her spouse, are not a member of the governing board of the charter school.				✓	Evidence Provided
7. Provide a letter from the school or its attorney confirming from the school that all members of its governing board are in compliance with these Florida Ethics Code provisions 112.313(2), (3), (7), and (12) and 112.3143(3), including that they have no conflicts of interest.				✓	Evidence Provided
8. Provide a letter from the school or its attorney confirming that the school and or any of its employees, have not entered into a confidentiality agreement regarding terminated or dismissed instructional personnel or school administrators, or personnel or administrators who resign in lieu of termination, based in whole or in part on misconduct that affects the health, safety, or welfare of a student, and have not provided instructional personnel or school administrators with employment references or discuss the personnel's or administrators' performance with prospective employers in another educational setting, without disclosing the personnel's or administrators' misconduct.				✓	Evidence Provided
ADDITIONAL NOTES/COMMENTS:					

17 indicators out of 17 met with compliance

Signature Miriam Williams

Date 2/20/14

Signature Monica Thompkins

Date 2/20/14

Signature _____

Date _____

School District of Palm Beach County
 CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: PALM BEACH GARDENS SCHOOL OF TECHNOLOGY ARTS

Reviewed by: STEVE BYRNE

Date of Visit: 2-20-2014

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable

CMS -- Upload documents to Charter Monitoring System

ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL)				
Indicators	Y	N	N/A	COMMENTS
1. Registration				
a. Evidence of comprehensible registration procedures for ELLs and families have been established and the school registration form which includes a Home Language Survey (HLS) is translated in the District's four major languages (English, Spanish, Haitian Creole and Portuguese)	✓			
2. Personnel				
a. All instructional staff members are in compliance (or in process of compliance) with professional qualifications required by the Florida Department of Education for personnel who teach ELLs. (ESOL Endorsement, ESOL coverage or ESOL Certification)	✓			
b. There is a full-time, bilingual staff member who speaks the SAME home language of the ELLs when 15 or more students speak the same language.			✓	
3. Instruction				
a. Evidence of comprehensible instruction that includes the use of appropriate ESOL instructional strategies with English Language Learners (ELLs).	✓			
4. Assessment				
a. Evidence of students entering a FL school for the first time who check "YES" to any of the three questions on the Home Language Survey (HLS) are administered an English language proficiency assessment within twenty (20) school days as required by Consent Decree.	✓			

ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL)				
Indicators	Y	N	N/A	COMMENTS
5. ESOL Student Files and Recordkeeping				
a. Evidence that ELL student records are maintained in compliance with requirements of the Consent Decree and FEFP reporting procedures.	✓			
6. Communication				
a. In accordance with the Department of Justice Agreement, there is evidence of communication with parents/guardians of ELLs regarding discipline procedures, Code of Conduct, registration, school-wide expectations, etc. that is translated into the District's major languages (Spanish, Haitian Creole, Portuguese) and interpreters are available at parent meetings and conferences so that information is presented in a language understood by the parent/guardian.		✓		THEY HAVE AGREED TO TRANSLATE THE REQUIRED DOCUMENTS
ADDITIONAL NOTES/COMMENTS				

6 indicators out of 7 met with compliance

Signature Stephen P. Ryan Date 2-20-14

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Kinden SOTA

Reviewed by: Amy Brown, Penelope Latimer

Date of Visit: 2/18/14

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable

CMS--Upload documents to Charter Monitoring System

EXCEPTIONAL STUDENT SERVICES (ESE)				
Indicators	Y	N	N/A	
a. ESE folders are properly maintained for appropriate students.	✓			
b. Lesson plans reflect appropriate instruction for ESE students.	✓			
c. Teachers have copies of IEPs in classrooms.	✓			
d. ESE students are receiving services documented on their IEPs.		✓		No consult begun up to this time
e. IEPs are current and completed timely.	✓			
f. Three-year re-evaluations are current and completed timely.	✓			
g. Procedures for discipline for ESE students are in compliance with IDEA and District procedures.			✓	No issues at this time
h. Evidence of # ___ of students were provided with the alternate assessment (FAA) in place of regular assessment.			✓	
i. The ESE Contact attends recommended meetings. (Documentation required)*		✓		
j. Evidence of Consult Logs (Documentation required)*		✓		
k. OT, S/L, PT, DHH, VI services are being delivered.*	✓			
l. Evidence of the ten-day notice and two attempts made for inviting parents/ guardians to attend IEPs and Child Study Team meetings.	✓			Need to make sure to fill in dates on pg. 2 of PPV
m. Evidence that the required members are invited and in attendance at IEP/CST/SBT meetings.		✓		• ESE Teacher signature missing on IEP's • Gen Ed Tchr sign. missing

EXCEPTIONAL STUDENT SERVICES (ESS)				
Indicators	Y	N	N/A	
n. Procedures are being followed for Eligibilities, Evaluations, Re-Evaluations using appropriate, updated forms.		✓		SLD eligibility completed - No HET form completed. no observations attached to PSD 1364
o. Lesson plans reflect appropriate accommodations/modifications for ESE/504 students.	✓			
p. Matrices are IEP driven with supporting documentation.		✓		
q. IEPs are written to meet students' needs.	✓			
r. Evidence of behavior documentation for ESE students.			✓	
s. Evidence of Rt1 and School Based Teams.	✓			

10 indicators out of 16 met with compliance

Signature *A. Brown* Date 2/18/14

A. Brown

School District of Palm Beach County
CHARTER SCHOOL RENEWAL PROGRAM REVIEW

<input checked="" type="checkbox"/> Mid Year
<input type="checkbox"/> End of year

Charter School: Gardens School of Technology Arts, Inc.
 Reviewed By: Dr. Christine Ferlita, ESE Specialist, Division of Support Operations
 Date of Visit: CSCMS

Each reviewer will complete a review document by marking as follows:

- YES Appropriate information and/or evidence of documentation is in place
- NO Necessary information and/or evidence of documentation incomplete or is not in place
- N/A Not applicable
- CMS Evidence uploaded to Charter Monitoring System

TRANSPORTATION				
INDICATORS	YES	NO	N/A	COMMENTS
a. Information relevant to all students transported by a school bus is on file.			X	
b. Copies of all contracts for student transportation are on file.	X			
c. Evidence of policies and procedures to enforce high standards for student conduct on school buses.			X	
d. Evidence that transportation is not a barrier to equal access to the charter program.	X			
e. Evidence to confirm that all regular riders, occasional riders, and all persons qualified to transport students have participated in required school bus emergency evacuation drills.			X	
f. Evidence to confirm supervision was provided and that school bus loading zones were designed and located to minimize hazards to students. Vehicular traffic directional and warning signs were posted and traffic was monitored to ensure a safe and orderly flow.			X	
g. Evidence to confirm that all required transportation documentation of special needs students is on file.			X	
ADDITIONAL NOTES/COMMENTS: <i>Additional comments in CSCMS</i>				

- 2 Indicators meet with compliance
- 0 Indicators do not meet with compliance
- 5 Indicators not applicable

Dr. Christine Ferlita
 Signature

02.26.2014
 Date

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 34

Palm Beach School District

Charter Department

End of Year Review Summary of GSOTA

FY 2013 – 2014

End of Year Review Summary (FY 2013-2014)

Gardens School of Tech Arts was reviewed in the categories listed in the chart below by the Department of Charter Schools and other School District experts. Here are the ratings of all category areas for your End of Year Review.

	CATEGORY AREAS	RATING
1	Curriculum and Instruction	D
2	Personnel/Professional Development	N/A
3	Assessment/Student Performance	C
4	Finance and Operations	N/A
5	Insurance	N/A
6	Food Service	N/A
7	Facilities and Environment	N/A
8	Governance	N/A
9	ESOL/ELL Services	N/A
10	ESE Services	C
11	Transportation	N/A

Ratings were assigned based on the following criteria:	
Compliant	The Category Areas were found to be acceptable; no critical component was found deficient or only one area of a category was found to be deficient and this one area was not a critical component. A <i>critical</i> component is defined as one that impedes the health, safety, and/or welfare of the student. A <i>critical</i> area may also pertain to ESE, ESOL, or student achievement.
Deficient	Three or more areas were found to be deficient and/or one <i>critical</i> area in a category was cited as deficient.

School District of Palm Beach County
CHARTER SCHOOL END OF YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts – Elementary K-5

Reviewed by: Robin White – Elementary Literacy Specialist – Dept. of Curriculum

Date of Visit: May 9, 2014

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable-Explain in comment section.

CMS -- Upload documents to Charter Monitoring System

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS
I. Curriculum and Instruction					
a. Evidence of a detailed curriculum plan that illustrates how students will be provided services to attain the NGSSS, Sunshine State Standards and CCS. (Provide a copy of plan.)		X			No Evidence of a detailed pacing chart covering the NGSS and CCS for all elementary grade levels
b. Evidence of the curriculum plan's learning goals and objectives including how goals will be evaluated to indicate academic improvement.	X				Compliant at Mid-Year Review
c. Evidence that teachers are using a variety of instructional methods (i.e., cooperative groups, teacher directed, project-based, visual instructional aids, learning centers).		X			No evidence in grades 3-5
d. Evidence of lesson plans that incorporate NGSSS, CCS in all areas of instruction. (Lesson Plans Will Be Reviewed)		X			No evidence – Objectives are stated in lesson plans but connection to the standards was unclear Teachers and students were not present in grades 3-5 (field trip)

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS
e. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>at grade level</u> . <i>(Documentation required)*</i>		X			<u>No evidence</u> of differentiated small group lesson plans
f. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>above grade level</u> . <i>(Documentation required)*</i>		X			<u>No evidence</u> of differentiated small group lesson plans
g. Evidence that the reading curriculum has differentiated strategies that will be used for students (level 1 and 2) reading <u>below grade level</u> . <i>(Documentation required)*</i>		X			<u>No evidence</u> of differentiated small group lesson plans
h. Teachers demonstrate appropriate classroom management techniques during observation.	X				Compliant at Mid-Year Review
i. Evidence parents have been provided sufficient information on whether their child is reading at grade level. <i>(Documentation required)*</i>	X				Compliant at Mid-Year Review
j. Evidence parents have been provided sufficient information on whether their child has gained at least a year's worth of learning for every year spent at the Charter School. <i>(Documentation required)*</i>	X				Compliant at Mid-Year Review
k. Evidence of a Remediation Plan for Level I and Level II students as required by the state.		X			<u>No evidence</u> of Immediate Intensive Intervention (iii) in lesson plans.
l. Evidence that there is a plan to evaluate the effectiveness of the curriculum program.	X				Compliant at Mid-Year Review
m. Evidence of identification and acquisition of appropriate	X				Compliant at Mid-Year Review

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS
technologies and a means to promote safe, ethical and appropriate uses of technology.					
n. Evidence that the instructional staff receives training that will support the distinctive curriculum used at the charter school.	X				Compliant at Mid-Year Review
o. Evidence that a researched based reading program is the primary focus of the curriculum and that resources including curriculum guides and materials are provided to support the curriculum, including staff development.		X			<u>No Evidence</u> of a detailed pacing chart covering the NGSS and CCS for all elementary grade levels. Treasures Reading Series and Triumph Learning are being used as the Reading Curriculum not as a resource to support the NGSS and CCS.
p. Evidence of reading block.	X				
q. Evidence of additional instructional time for struggling readers as required by DOE.		X			<u>No evidence</u> of Immediate Intensive Intervention (iii) in lesson plans.
r. Documentation that all instructional activities are aligned to the NGSSS, Sunshine State Standards, CCS and are supportive of the distinctive curriculum.		X			<u>No evidence</u> – Objectives are stated in lesson plans but connection to the standards was unclear Teachers and students were not present in grades 3-5 (field trip)
s. Classroom environment is reflective of the school's commitment to reading. (Classroom libraries)	X				Classroom libraries showed improvement.
t. Evidence the school is being innovative as stated in its Charter and Application.	X				Compliant at Mid-Year Review
ADDITIONAL NOTES/COMMENTS:					
<ul style="list-style-type: none"> Not all teachers have been trained and are able to implement Reading Running Records. Please check for dates on Course Registration or the new ELM. 					

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS
<ul style="list-style-type: none"> Balanced Literacy and Guided Reading training is highly recommended. On February 18, 2014, the State Board of Education revised elements of the Common Core Standards and renamed the benchmarks the Florida Standards. The board voted unanimously to revise the student performance standard in English Language Arts and Mathematics. Cursive writing was also added to 4th and 5th grade instruction. Attached is a <i>pdf</i> of the current changes. 					

10 indicators out of 20 met with compliance

Signature: Robin White

Date: May 14, 2014

School District of Palm Beach County
CHARTER SCHOOL END OF YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts

Reviewed by: Falllon Felsen and Karen Marchetto

Date of Visit: May 12, 2014

Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable-Explain in comment section.
- CMS -- Upload documents to Charter Monitoring System

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS
1. Curriculum and Instruction					
a. Evidence of a detailed curriculum plan that illustrates how students will be provided services to attain the NGSSS, Sunshine State Standards and CCS. (Provide a copy of plan.)		X			ELA utilizes Springboard curriculum. Attachments included in CAP designated as focus calendars were the Table of Contents from <i>Buckle Down</i> workbook and <i>Treasures</i> textbook.
b. Evidence of the curriculum plan's learning goals and objectives including how goals will be evaluated to indicate academic improvement.					
c. Evidence that teachers are using a variety of instructional methods (i.e., cooperative groups, teacher directed, project-based, visual instructional aids, learning centers).					
d. Evidence of lesson plans that incorporate NGSSS, CCS in all areas of instruction. (Lesson Plans Will Be Reviewed)		X			No evidence in lesson plans at time of visit. CAP indicated that the NGSSS and CCS would be evident in lesson plans. Objectives are stated in lesson plans, but connection to standards is unclear.
e. Evidence that the reading curriculum has differentiated		X			No evidence of a specific reading curriculum for the FY14 school year.

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS
strategies that will be used for students reading <u>at grade level</u> . <i>(Documentation required)*</i>					
f. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>above grade level</u> . <i>(Documentation required)*</i>		X			No evidence of a specific reading curriculum for the FY14 school year.
g. Evidence that the reading curriculum has differentiated strategies that will be used for students (level 1 and 2) reading <u>below grade level</u> . <i>(Documentation required)*</i>		X			No evidence of a specific reading curriculum for the FY14 school year.
h. Teachers demonstrate appropriate classroom management techniques during observation.					
i. Evidence parents have been provided sufficient information on whether their child is reading at grade level. <i>(Documentation required)*</i>					
j. Evidence parents have been provided sufficient information on whether their child has gained at least a year's worth of learning for every year spent at the Charter School. <i>(Documentation required)*</i>					
k. Evidence of a Remediation Plan for Level I and Level II students as required by the state.		X			No evidence of remediation plan at time of visit. Principal indicated that ESE/reading endorsed teacher is doing pull-outs and stated that he will provide documentation.
l. Evidence that there is a plan to evaluate the effectiveness of the curriculum program.					
m. Evidence of identification and acquisition of appropriate technologies and a means to promote safe, ethical and appropriate uses of technology.					

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS
n. Evidence that the instructional staff receives training that will support the distinctive curriculum used at the charter school.					
o. Evidence that a researched based reading program is the primary focus of the curriculum and that resources including curriculum guides and materials are provided to support the curriculum, including staff development.		X			No evidence of a specific reading curriculum for FY14 school year. CAP states that "committee at school is researching reading programs for purchase for next year." Attachment to CAP included letter dated May 6, 2014, that states that "Zaner Bloser has been chosen for the middle school reading program for next year."
p. Evidence of reading block.		X			No evidence of reading block for the FY14 school year. CAP states that "middle school students are scheduled into Intensive Reading course coded appropriately in TERMS," however the course has not been built into their master schedule. Principal states that he will create it for next year.
q. Evidence of additional instructional time for struggling readers as required by DOE.					
r. Documentation that all instructional activities are aligned to the NGSSS, Sunshine State Standards, CCS and are supportive of the distinctive curriculum.					
s. Classroom environment is reflective of the school's commitment to reading. (Classroom libraries)					
t. Evidence the school is being innovative as stated in its Charter and Application.					
ADDITIONAL NOTES/COMMENTS:					

CURRICULUM AND INSTRUCTION					
Indicators	Y	N	N/A	CMS	COMMENTS

__0__ indicators out of __8__ met with compliance

Signature: *Fallon Felsner, Karen Marchetto* Date : May 14, 2014 _____

Case # 16-474

Gardens School of Technology Arts, Inc.

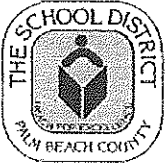
Exhibit # 35

Palm Beach School District

Charter Department

Mid-Year Review of GSOTA

FY 2014 – 2015



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA
DEPARTMENT OF CHARTER SCHOOLS
3300 Forest Hill Boulevard, Ibis Bldg. E
West Palm Beach, FL 33406

JAMES T. PEGG
Director

JOSEPH M. LEE, Ed.D.
Assistant Superintendent

Ph: 561.969-5875 Fax: 561.434-7498
www.palmbeachschools.org/CharterSchoolsSDPBC

March 6, 2015

Dr. Kevin Kovacs, Principal
Gardens School of Technology Arts
9153 Roan Lane
Palm Beach Gardens, FL 33403

Dear Dr. Kovacs:

Enclosed please find your charter school's *FY2014-15 Mid-Year Review* with attachments. There is also additional review feedback available on the information submitted via CHARTER TOOLS. Please login to CHARTER TOOLS to access this feedback.

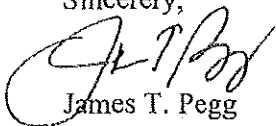
If you want to respond or provide an explanation for non-compliant items, discuss further the contents of the review, or disagree with the team's finding(s) within the review, please provide a written response to the office of Charter Schools Department within ten (10) days of this letter.

For any item(s) marked as "*Deficient*" or "*no*", this letter serves as your notice of non-compliance. You are now expected to correct any and all non-compliant items. Safety items need to be addressed immediately. Otherwise, you have thirty (30) days (unless your charter specifies a different amount of time) to correct the deficiency(s). You are to provide the Department of Charter Schools a compliance corrective action plan within this time frame.

If you need assistance from the School District Department of Charter Schools or have questions about the corrective plan or actions, please contact us as soon as possible. This Department and the District are willing to provide recommendations and support to your school to resolve the issue(s) depending on the item(s), and to what extent our assistance can be provided.

Thank you for your prompt response to this review.

Sincerely,



James T. Pegg
Director

JTP/mv

Cc: Debra K. Moore, Board Chair
Enclosure



The School District of Palm Beach County
Department of Charter Schools
Charter School Mid-Year Review Report
2014-2015



Name of School: GARDENS SCHOOL OF TECHNOLOGY ARTS (GSOTA)

Name of Reviewers: Ariel Alejo, Carl Boucard, Karla Branch, Amy Brown, Lyn Bryant, Stephen Bryne, Taryn Buller, Cathi Davis, Connie Dinolfo, Deborah Hardman, Kelley Houghton, Beverly Latimer, Maureen Lewinsohn, Karen Marchetto, Sandra Raymond-Roberts, Robin White

Date of Visit: December 4, 2014

INTRODUCTION

Pursuant to F.S. 1002.33(5) (b) (1. a, b, e, & f) *Sponsor duties* – The sponsor shall monitor and review the charter school in its progress toward the goals established in the charter. The sponsor shall monitor the revenues and expenditures of the charter school and perform the duties provided in s. 1002.345. The sponsor shall ensure that the charter is innovative and consistent with the state education goals established by s. 1000.03(5). The sponsor shall ensure that the charter school participates in the state's education accountability system. Additionally, if the school earned a grade of "D" or "F", the sponsor must annually review implementation of the school improvement plan to monitor the school's continued improvement pursuant to F.S. 1002.33 (9) (n). Moreover, provisions in your Charter Contract with the School Board provide for the sponsor's ability to monitor your school.

Therefore, Mid-Year Reviews are conducted to assess areas in need of improvement and/or correction and to identify additional support systems that may be needed to assist your school. **The Mid-Year Review of your Charter School was performed from December 2014.** A review rating of *Compliant* or *Deficient* is assigned to each section.

Prior to the review, the Department of Charter Schools provided, in advance, a draft of the Mid-Year checklist to the Governing Board Chair and/or the Charter School Principal. The Department of Charter Schools collaborated with the Principal to schedule the date and time of the review visit. Additionally, at the end of the review, the Principal was provided a copy of the handwritten report.

The summary of the Mid-Year Review for your school is attached and indicates that your school is in need of compliance corrective action in one or more deficient areas. Please be reminded that the attached compliance corrective action form should be based upon your progress in the areas of deficiency subsequent to the Mid-Year Review.

The overall review process consisted of several site visits by various District staff members (e.g., ESOL/LEP/ELL, ESE, Governance, Personnel, Facilities & Environment, etc.).

The Mid-Year Review of the school covered the following areas:

- Student Support Services
- Reading Curriculum
- Assessment
- Personnel/Professional Development
- Policies and Procedures
- Governance
- Facilities and Environment
- Communication-Parent/School
- ESOL Services
- ESE Services

Mid-Year Review Summary (SY 2014-2015)

Gardens School of Technology Arts (GSOTA) was reviewed in the categories listed in the chart below by the Department of Charter Schools and other School District experts. Here are the ratings of all category areas for your Mid-Year Review.

	CATEGORY AREAS	RATING
1	Curriculum and Instruction	Elem - D Se - C
2	Personnel/Professional Development	C
3	Assessment/Student Performance	C
4	Finance and Operations	C
5	Insurance	C
7	Food Service	C
8	Facilities and Environment	C
9	Governance	C
10	ESOL/ELL Services	C
11	ESE Services	D
12	Transportation	C

AA
070415

Ratings were assigned based on the following criteria:	
Compliant	The Category Areas were found to be acceptable; no critical component was found deficient or only one area of a category was found to be deficient and this one area was not a critical component. A <i>critical</i> component is defined as one that impedes the health, safety, and/or welfare of the student. A <i>critical</i> area may also pertain to ESE, ESOL, or student achievement.
Deficient	Three or more areas were found to be deficient and/or one <i>critical</i> area in a category was cited as deficient.

Gardens School of Technology Arts (GSOTA) Compliance Corrective Action Plan

CATEGORY RATING:			
Findings	Person Responsible	Corrective Action	Date Completed
Section 1			
Section 2			
Section 3			
Section 4			
Section 5			
Section 6			
Section 7			
Section 8			
Section 9			
Section 10			
Section 11			
Section 12			

School District of Palm Beach County
CHARTER SCHOOL REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts (GSOTA)

Reviewed by: Olive Horne, Elementary Literacy Specialist – Dept. of Curriculum
Karla Branch, Elementary Literacy Support - Dept. of Charter Schools

Date of Visit: December 4, 2014

Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable-Explain in comment section.
- CMS -- Upload documents to Charter Monitoring System

School is following District’s Student Progression Plan X Yes No
 School is following District’s Comprehensive Reading Plan X Yes No

CURRICULUM AND INSTRUCTION- Literacy: Elementary <u> X </u> Secondary <u> </u>					
Indicators	Y	N	N/A	CMS	COMMENTS
1. Curriculum and Instruction					
a. Evidence of a curriculum plan, i.e., scope and sequence or focus calendar that illustrates how students will be provided services to attain the Florida Standards. (Provide a copy of plan.)	X				GSOTA is participating in the district’s Elementary Literacy Roll Out. The charter school follows the Scope and Sequence as supported by the district created Units of Study.
b. If NOT following District SPP, evidence of how goals will be evaluated to indicate academic improvement.			X		
c. Evidence that teachers are using a variety of instructional methods (i.e., cooperative groups, teacher directed, project-based, visual instructional aids, learning centers). Reviewers will conduct classroom observations which may include dialogue with students.	X				Whole groups, small groups, anchor charts, and learning stations were evident in K-5.
d. Evidence of lesson plans that	X				Evident in lesson plans.

CURRICULUM AND INSTRUCTION- Literacy: Elementary <u>X</u> Secondary					
Indicators	Y	N	N/A	CMS	COMMENTS
incorporate Florida Standards in reading instruction. Lesson Plans Will Be Reviewed					
e. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>at grade level</u> . <i>(Documentation required)*</i>		X			No evidence of differentiated small group plans in one Kindergarten classroom, one 1 st grade classroom, and grades 4 and 5.
f. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>above grade level</u> . <i>(Documentation required)*</i>		X			No evidence of differentiated small group plans in one Kindergarten classroom, one 1st grade classroom, and grades 4 and 5.
g. Evidence that the reading curriculum has differentiated strategies that will be used for students (level 1 and 2) reading <u>below grade level</u> . <i>(Documentation required)*</i>		X			No evidence of differentiated small group plans in one Kindergarten classroom, one 1st grade classroom, and grades 4 and 5.
h. Teachers demonstrate appropriate classroom management techniques during observation.	X				
i. Evidence parents have been provided sufficient information on whether their child is reading at grade level. <i>(Documentation required)*</i>	X				Indicated on report card. Please refer to the Comments/Notes section.
j. Evidence of a Remediation Plan for Level I and Level II students in keeping with the Student Progression Plan.		X			No evidence of a remediation plan for K-5 students. Most teachers said they pull students as needed. Documentation was not available.
k. Evidence that the instructional staff receives professional development/training that will support the distinctive curriculum used at the charter school.	X				Provided evidence of school based trainings and teachers also attend district trainings i.e. Literacy Planning Cycle.

CURRICULUM AND INSTRUCTION- Literacy: Elementary <u>X</u> Secondary _____					
Indicators	Y	N	N/A	CMS	COMMENTS
l. Evidence that a researched-based reading program is the primary focus of the curriculum and that resources including curriculum guides and materials are provided to support the curriculum.	X				The school has purchased Scholastic Trade books and the leveled libraries to support the Lucy Caulkins research based Reader's and Writer's Workshop..
m. Evidence of reading block.	X				Indicated on schedules and during walkthroughs.
n. Classroom environment is reflective of the school's commitment to reading, i.e., classroom libraries	X				Continue leveling libraries as best practice recommends 1/3 leveled and 2/3 genres.
o. Evidence the school is being innovative as stated in its Charter and Application	X				Technical Arts infusion
ADDITIONAL NOTES/COMMENTS:					
An Elementary Reading Deficiency letter is recommended. Please see the attached district bulletins.					
Please provide documentation for remediation of the elementary level 1 & 2 students.					

11 Indicators out of 15 met with compliance

Signature: _____ Date: _____

School District of Palm Beach County
CHARTER SCHOOL REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts _____

Reviewed by: _____ Christina Gray, Karen Marchetto

Date of Visit: ___ December 4, 2014 and December 10, 2014

Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable-Explain in comment section.
- CT -- Upload documents to Charter Tools.

School is following District’s Student Progression Plan ___X___ Yes _____ No

School is following District’s Comprehensive Reading Plan ___X___ Yes _____ No

CURRICULUM AND INSTRUCTION- Literacy: Elementary _____ Secondary <u>X</u>					
Indicators	Y	N	N/A	CT	COMMENTS
1. Curriculum and Instruction					
a. Evidence of a curriculum plan, i.e, scope and sequence or focus calendar that illustrates how students will be provided services to attain the Florida Standards. (Provide a copy of plan.)					
b. If NOT following District SPP, evidence of how goals will be evaluated to indicate academic improvement.			X		
c. Evidence that teachers are using a variety of instructional methods (i.e., cooperative groups, teacher directed, project-based, visual instructional aids, learning centers). Reviewers will conduct classroom observations which may include dialogue with students.	X				Whole group lesson with students seated in groups
d. Evidence of lesson plans that incorporate Florida Standards	X				

CURRICULUM AND INSTRUCTION- Literacy: Elementary						Secondary X
Indicators	Y	N	N/A	CT	COMMENTS	
in reading instruction. Lesson Plans Will Be Reviewed						
e. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>at grade level</u> . <i>(Documentation required)*</i>	X				Through ELA	
f. Evidence that the reading curriculum has differentiated strategies that will be used for students reading <u>above grade level</u> . <i>(Documentation required)*</i>	X				Through ELA	
g. Evidence that the reading curriculum has differentiated strategies that will be used for students (level 1 and 2) reading <u>below grade level</u> . <i>(Documentation required)*</i>	X				Group activities include independent reading, computer reading using "Newsela," <i>Ready Book</i> completion activities, teacher-led group using <i>Read for Real</i> .	
h. Teachers demonstrate appropriate classroom management techniques during observation.	X				Suggestion that after-school intensive reading session include restroom break after school/at beginning of session to avoid constant requests during class time.	
i. Evidence parents have been provided sufficient information on whether their child is reading at grade level. <i>(Documentation required)*</i>	X					
j. Evidence of a Remediation Plan for Level I and Level II students in keeping with the Student Progression Plan.	X				One hour after school reading session	
k. Evidence that the instructional staff receives professional development/training that will support the distinctive curriculum used at the charter school.	X					
l. Evidence that a researched-based reading program is the primary focus of the curriculum and that resources	X				<i>Zaner-Bloser's Read for Real</i>	

CURRICULUM AND INSTRUCTION- Literacy: Elementary _____ Secondary <u>X</u>					
Indicators	Y	N	N/A	CT	COMMENTS
including curriculum guides and materials are provided to support the curriculum.					
m. Evidence of reading block.	X				One hour after school reading session
n. Classroom environment is reflective of the school's commitment to reading, i.e., classroom libraries		X			Reading session had 5 titles from which students could select for independent reading.
o. Evidence the school is being innovative as stated in its Charter and Application	X				Variety of technology programs offered across all grade levels
ADDITIONAL NOTES/COMMENTS: Sixth and seventh grade ELA teacher is currently certified only in Elem Ed but pursuing ELA certification. Reviewer's observation: Because reading session for struggling readers occurs after school (due to teacher certification requirements), it has more of a punitive climate than intervening.					

____ Indicators out of _____ met with compliance

Signature: _____ Date: _____

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: GSOTA

Reviewed by: _____

Date of Visit: _____

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable-Explain in comments section.

CT--Upload documents to Charter Tools.

PERSONNEL					
Indicators	Y	N	N/A	CT	COMMENTS
a. Evidence of Performance Evaluation Systems (instructional personnel and administrators) as required by law. <i>(Documentation required)*</i>	✓				FCPCS Evaluation System
b. Evidence of Out-of-field agreements are on file for appropriate teachers.			✓		NO OOF
c. Documentation, substantiating the expertise in field of specialty, is on file for teachers who are determined highly qualified in accordance with F.S. §231.15(1). <i>(Documentation required)*</i>	Reviewed at Charter Office via CT/PS/TERMS				
d. Copies of contracts for contractual services and documentation of services provided are on file.	Reviewed at Charter Office via CT/PS/TERMS				
e. A complete list of employees is on file and includes addresses and phone numbers.	Reviewed at Charter Office via CT/PS/TERMS				
f. Training/staff development activities have been documented, including topic, date, and list of participants.	Reviewed at Charter Office via CT/PS/TERMS				
g. Charter School Authorization Forms for all employees are on file	Reviewed at Charter Office via CT/PS/TERMS				
h. Teaching certificates/letters of eligibility for appropriate teachers.	Reviewed at Charter Office via CT/PS/TERMS				
i. Evidence that a highly qualified instructional staff is employed.	Reviewed at Charter Office via CT/PS/TERMS				

_____ Indicators out of _____ met with compliance

Signature _____

Date _____

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts

Reviewed by: Sandra Raymond Roberts

Date of Visit: December 4, 2014

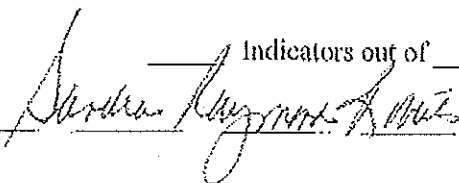
Each reviewer will complete a review document by marking as follows:

- YES - Appropriate information and/or evidence of documentation is in place.
- NO - Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A - Not applicable-Explain in comments section.
- CMS - Upload documents to Charter Monitoring System

ASSESSMENT					
Indicators	Y	N	N/A	CMS	COMMENTS
<p>Δ. Description of method used to identify the educational strengths and needs of students.</p> <p><i>Provide copies of the following data from the Educational Data Warehouse reports:</i></p> <p>1. ELA Profile (Most Recent) - RTSOR0036- Report shows the most recent scores for FCAT NGSSS Reading, Diagnostic Reading, Elementary Literacy Assessment, and SRI.</p> <p>2. Math Profile (Most Recent) - RTSOM0037- Report shows the most recent scores for ESA Math, FCAT NGSSS Math, Algebra 1, Algebra 2, Geometry EOC and Diagnostic Assessments.</p> <p>3. Science Profile - RTSFS0121- Report shows the overall scale score and level for the most recent FCAT NGSSS Science and Biology 1 EOC. In addition, the Science and Biology 1 Diagnostic scores and level are shown for the current school year.</p> <p>4. Writing Profile - RTSFW0146- Report shows the score for the most recent FCAT NGSSS Writing exam, as well as, all Palm Beach Performance Assessment scores for the current school year.</p>					<p>FLKERS – Check compliance for FY15</p> <p>Submitted Diagnostic Roster Reports for each grade level and ELA, Math, Science</p> <p>ELA Diagnostic data submitted several level 2 students not enrolled in Intensive Reading</p> <p>Diagnostic FCAT Science scores submitted</p> <p>Grade 2 PBPA Writing results</p> <p>Check for Assessment Period 2 Writing results</p>

<p>5. <u>Diagnostic Diamond Report - RTODA0173-</u> Report contains Fall and Winter Diagnostic school results that include each question's content focus, standards, type, and cognitive level. It compares the school results to the district results for each question.</p> <p>6. <u>EOC Diagnostic Diamond Report - RTSDA0474-</u> Report contains End of Course (EOC) Diagnostic percent correct and provides comparison of grade level results to District results for the same grade level or school results to District results.</p>	<p>X</p> <p>X</p>				<p>Submitted Diamond Reports</p> <p>Submitted EOC Diamond for Algebra I</p>
<p>B. Evidence of an accountability plan including a method for reporting the results to the charter school community. (Evaluation of educational program)</p> <p><i>Provide copies of the from the following Florida Department of Education (FDOE) and EDW reports:</i></p> <p>1. <u>FY15 School Improvement Plan</u> – FDOE report</p> <p>2. <u>School Improvement Plan Online 2015 - RXOOA0197-</u> Summary report provides information to complete the School Improvement Plan.</p> <p>3. <u>Discipline Dashboard – RDGOA0494</u> – Shows discipline data by month, location, and type.</p> <p>4. <u>Absences by Period Summary-RASQA0318</u> - Shows the total school absences and tardies by period.</p>	<p>X</p> <p>X</p>		<p>X</p>		<p>Submitted to State</p> <p>N/A</p> <p>Submitted Discipline Dashboard</p>
<p>C. Implementation of the District Student Progression Plan:</p> <p>1. Students participate in all age appropriate district and state assessments. Results are communicated to parents.</p> <p>2. Procedures are in place to report quarterly grades and mid-term progress to parents/guardians and students.</p> <p>3. Students performing below grade level in reading, writing, mathematics, or science are identified and provided remedial instruction.</p>	<p>X</p> <p>X</p> <p>X</p>				<p>After School tutoring</p> <p>Report Cards standards based</p> <p>Letter to parents re: Intensive Reading</p>

<p>4. Procedures are in place for graduation, promotion, remediation, retention including a process for communicating to parents/guardians and students.</p>	X				Attendance Letter to parents
<p>5. PMP's have been written for students performing below grade level in reading, writing, mathematics, and/or science. (documentation required)*</p>	X				School-wide PMP Plan
<p>6. PMP's indicate parent/guardian participation in the process.</p>	X				
<p>7. PMP's have been entered on TERMS.</p>					
D. Monitoring Student Progress:					
<p>1. <u>Individual Student Form - RSSOA0082-</u> Report shows a profile detailing demographics, attendance, discipline, grades, testing and special programs for an individual student.</p>					Data Chats with students using GSOTA Data Chat forms
<p>2. <u>SALP - RTTOR0035-</u> Report shows individual student profile for Student Assessment Literacy Project (SAL-P). This student listing contains FCAT SSS and SRI and Diagnostics assessment results.</p>					
<p>3. <u>SALP High School - RTSOA0454-</u> Report shows individual student profile for Student Assessment Literacy Project (SAL-P), SAT, ACT and CPT. This student listing contains FCAT SSS and SRI and Diagnostics assessment results.</p>					
<p>4. <u>Individual Graduation Status - RSSYA0342-</u> Report shows FCAT, GPA, Credits and Community Service Hours. (Note: This report does not take into account the number of credits per subject area. Report is only valid for students in grades 9 to 12.)</p>			X		N/A

Signature  Indicators out of _____ met with compliance
 Date 12/12/14

School District of Palm Beach County

CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology

Reviewed by: Amy Brown, Beverly Latimer

Date of Visit: 12/9/14

Related Statute: A charter may be renewed provided that a program review demonstrates that the criteria in paragraph (a) have been successfully accomplished and that none of the grounds for nonrenewal established by paragraph (8) (a) has been documented. (F.S.1002.33 (7) (b) (1))

Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable
- CT--Upload documents to Charter Monitoring System

EXCEPTIONAL STUDENT SERVICES (ESE)				
Indicators	Y	N	N/A	
a. ESE folders are properly maintained for ESE students. All files are present for enrolled ESE students All IEPs, evaluations and related documents are Present at least 3 years back when applicable	✓			
b. IEPs are compliant based on IEP Compliance Monitoring Tool		✓		
c. There is evidence of implementation of accommodations, modifications, strategies working toward mastery of the annual goals as specified on the IEP. (lesson plans, logs, interviews, etc.)	✓			
d. Teachers have copies of IEPs in their classrooms.	✓			
e. ESE students are receiving services documented on their IEPs (logs, schedules etc.)	✓			
c. IEPs and 504s are current and timely	✓			
d. Three year reevaluations are current and timely	✓			
h. Procedures for discipline for ESE students are in compliance with IDEA and District procedures Documentation of manifestation hearings for 10+ days of suspension FBA/BIP developed for 10+ day suspensions			✓	
i. Evidence of # <u>0</u> of students were provided with the alternate assessment (FAA) in place of regular assessment			✓	

EXCEPTIONAL STUDENT SERVICES (ESE)				
Indicators	Y	N	N/A	
j. The ESE Contact attends recommended meetings. Documentation required (LEA training, IEP training, District Contact meetings, Charter Contact meetings, TERMS, EDW)	✓			
k. Evidence of Consultation logs showing face to face meetings		✓		
l. OT, PT, S/L, DHH, VI services are being provided (therapy logs, attendance, schedules, consultation logs)	✓			
m. PPN is compliant based on IEP Compliance Monitoring Tool		✓		
n. There is evidence that the required members are invited and in attendance at IEP/CST meetings	✓			
o. Procedures are being followed for eligibilities, evaluations, reevaluations, dismissals	✓			
p. Matrices are IEP driven with supporting documentation.	✓			Need to be written at each annual IEP
q. IEPs are written to meet students' needs per present levels of performance, standardized test scores and other assessments.	✓			
r. Evidence of behavior documentation and implementation for ESE students. Plan is indicated in IEP in accommodations/goals Behavior plan in file when applicable Evidence of plan in use in classroom		✓		
s. Evidence of Rt1 and School Based Teams.	✓			
t. There is evidence of IEP supporting documents (parent input form, Access Point/FAA, ESE Center School placement)		✓		pg 2 of PPN's missing

13 Indicators out of 18 met with compliance

Signature _____

Date _____

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts, Inc.

Reviewed by: Cathi Davis

Date of Visit: Reviewed via Charter Tools in District Office on 12/9/14

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable-Explain in comments section.

CMS - Upload documents to Charter Monitoring System

FINANCE & OPERATIONS					
Indicators	Y	N	N/A	CMS	COMMENTS
1. Budget Preparation					
a. Evidence of an established budget planning process. Provide a copy of procedures or provide a narrative of the budget process.	X			Y	
b. Evidence that budget has been approved by Governing Board and is monitored regularly to safeguard finances. (Copy of minutes)	X			Y	
c. Evidence that budget amendments are prepared and approved by board. (Copy of minutes)	X			Y	
d. The board approved budget was submitted to the District in a timely manner.	X				
2. Financial Accounting					
a. Evidence of fiscal accounting system for various funds – General, Special Revenue, Capital Outlay	X				
b. Evidence that expenditures do not exceed available resources in each fund.	X				
c. Evidence of financial accounting policies and procedures and that they meet generally accepted standards of fiscal management. (Copy of and access to procedures manual).	X				
d. Evidence that monthly financial statements are prepared using the FDOE required format.	X				
e. Evidence that monthly financial statements are timely filed with the District.	X				
f. Evidence that audited annual financial report is prepared in accordance with GASB 34 requirements and submitted by the required date.	X				
g. Evidence that the annual audit report includes documentation of charter school's financial	X				

FINANCE & OPERATIONS					
Indicators	Y	N	N/A	CMS	COMMENTS
status.					
h. Evidence that capital expenditures (if applicable) are reported separately on the monthly and/or annual financial statements.			X		
i. Established system of accounting for fixed assets in accordance with Rules of the Auditor General 10.400 (Provide a copy of procedures or provide a narrative of the fixed asset accounting process.)	X				
j. Evidence of a property records inventory (Copy of report). Fla. Admin. Code Ch. 69I-73.	X				
k. Evidence that the property records inventory form has been submitted to the District in a timely manner.	X				
l. Cost report data submitted to District by required date.	X				
m. Evidence that Teacher Lead was paid to teachers by September 30 th of each year.	X				
n. Evidence that audit management letter response was prepared and approved by the board. (Copy of minutes)	X				
o. Evidence that details of accrued liabilities including notes, loans, lines of credit and/or related party transactions have been recorded in the financial statements.	X				
p. Evidence financial corrective action plan has been established (if applicable) and submitted to the District.			X		
q. Evidence that there are no material weaknesses or significant deficiencies in internal controls identified by a qualified independent auditor.	X				
r. Evidence that school provided access to requested documents and cooperated with District's Inspector General, auditor and/or other school official monitoring the school.	X				
s. Evidence of compliance with class size reduction as applicable to charter schools.	X				
t. Evidence that categorical program revenues were spent on allowable costs.	X				
3. Grants Accounting (If applicable)					
a. Established grant accounting procedures. (Copy of or access to procedures manual) 34 CFR			X		

FINANCE & OPERATIONS					
Indicators	Y	N	N/A	CMS	COMMENTS
74.21(b)(6), 34 CFR 76.530, 34 CFR 76.702, and OMB Circular A-110					
b. Were grant funds accounted for separately or somehow identified in the monthly, quarterly and annual financial statements.			X		
4. Other Statutory Requirements					
a. The Charter Schools website includes the school's annual budget, the independent fiscal audit, and the minutes of the governing board meetings (at least quarterly).	X				
b. Capital Outlay funding provided in FEFP payments or CO disbursements were appropriately spent. (Section 1013.62(2) F.S.)			X		
5. Financial Viability					
a. Maintained adequate cash flow to meet rent, salary and benefit requirements.	X				
b. Met financial obligations to District and other vendors.	X				
c. Maintain an adequate fund balance.	X				
d. Maintained steady FTE counts.	X				
ADDITIONAL NOTES/COMMENTS					
Based on review of the 2013-14 audit report, monthly financial statements and the ratios listed on the next two pages indicate that the charter school is financially stable.					

27 indicators out of 27 met with compliance

Signature Artie Davis Date 12/9/14

Financial Indicators for: Gardens School of Technology Arts
FY 2014-15

Indicator	FY 2012	FY 2013	FY 2014	Comments
Net Asset(Deficit)	\$ 56	\$ 113	\$ 215	Declining results. Deficits may indicate financial emergency.
Unrestricted Net Asset(Deficit)	\$ 56	\$ 108	\$ 212	Declining results. Deficits may indicate financial emergency.
Fund Balance (Deficit)	\$ 56	\$ 108	\$ 212	Declining results. Deficits may indicate financial emergency.
Unreserved Fund Balance(Deficit) + Unrestricted Net Asset(Deficit)	\$ 112	\$ 216	\$ 391	Declining results indicate difficulty in maintaining a stable tax and revenue structure or adequate level of services. Deficits may indicate financial emergency.
Net Asset(Deficit)/Total Expenditure	5.40%	9.14%	13.72%	Percentages decreasing over time may lead to future budgetary problems.
Unrestricted Net Asset(Deficit) / Total Expenditure	5.40%	8.73%	0.14%	Percentages decreasing over time may lead to future budgetary problems
Unreserved Fund Balance(Deficit)/ Total Expenditures	5.40%	8.73%	11.42%	Percentages decreasing over time may indicate unstructured budgets that could lead to future budgetary problems even if the current fund balance is positive.
Cash & Investments/Current Liability	3.00%	5.28%	8.07%	Percentages decreasing over time indicates difficulty raising the cash needed to meet its current needs.
Cash&Investments/Total Expenditures	8.09%	0.11%	13.91%	Percentages decreasing over time indicates difficulty raising the cash needed to meet its current needs.
Current Liabilities/Total Revenues	2.56%	1.93%	1.62%	Increasing results may indicate liquidity problems, deficit expending, or both.
Change in Net Position/ Total Revenues	5.03%	4.41%	6.11%	Increasing deficits may indicate that current revenues are not supporting current expenditures.
Net Assets(Deficit)/Total Revenues	5.12%	8.73%	12.88%	Decreasing results may indicate a reduction in the ability to withstand financial emergencies or its ability to fund capital purchases without having to borrow.

Financial Indicators for: Gardens School of Technology Arts
 FY 2014-15

Indicator	FY 2012	FY 2013	FY 2014	Comments
Unrestricted Net Assets (Deficit)/ Total Revenues	5.12%	8.35%	12.70%	Decreasing results may indicate a reduction in the ability to withstand financial emergencies or its ability to fund capital purchases without having to borrow.
Interest on Long Term Debt/ Total Expenditures	0.00%	0.00%	0.00%	Percentages increasing over time may indicate declining flexibility to respond to economic changes.
Current Ratio (Current Assets/Current Liabilities)	3.00%	5.28%	881.48%	Decreasing trends indicates a schools ability to no longer meet obligations over the next 12 months.
Unrestricted Days of Cash (Unrestricted Cash/Total Expenses-Depreciation Expense)	30	39	51	Decreased numbers indicates that the school has insufficient cash to meet its cash obligations.
Total Margin (Net Income/Total Revenue)	5.12%	8.73%	12.88%	Steady ratios over several years indicates the school is living within its available resources.
Aggregate Total Margin (Total of 3 years Net Income/Total of 3 years Total Revenue)	na	na	9.47%	Steady or increasing ratios measures long term stability of the school.
Debt to Asset Ratio (Total Liabilities/Total Assets)	0.33%	18.25%	11.16%	Increasing trends demonstrate the schools reliance on borrowed funds to finance its operations.
One Year Cash Flow (CY Total Cash/Total Cash-2 yrs ago)	\$ 84	\$ 132	\$ 134	These two ratios are reviewed together. If there is a negative cash flow over time, this may indicate problems with financial health and sustainability of the school.
Multi Yr Cash Flow (CY Total Cash/PY Total Cash)	\$ 84	\$ 48	\$ 86	
Change in FTE from prior year (Prior year FTE/Current Year FTE)	na	33.33%	29.29%	Steady ratios indicate student enrollments from year to year are stable.

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology

Reviewed by: Lyn Bryant

Date of Visit: _____

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable-Explain in comments section.

CT- Upload documents to Charter Tools.

INSURANCE					
Indicators	Y	N	N/A	CT	COMMENTS
a. Insurance policies are on file documenting active coverage with minimum limits as set forth in the charter contract.				✓	
b. School Leaders-Errors & Omissions				✓	
c. Commercial General Liability				✓	
d. Workers' Compensation/Employers Liability				✓	
e. Property Insurance (<i>including boiler and machinery coverage</i>)				✓	
f. Benefits Administration Coverage (to provide employee benefits i.e. health, life)				✓	
g. Automobile Liability Insurance				✓	
h. Evidence that the certificates of insurance have been provided to the district office indicating the district as an additional insured.				✓	
i. Evidence of procedures that identify various risks and provide a comprehensive approach to reduce the impact of loses.				✓	
ADDITIONAL NOTES/COMMENTS:					

Signature Lyn Bryant 9 Indicators out of 9 met with compliance
 Date 1/7/15

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology

Reviewed by: Lyn Bryant

Date of Visit: _____

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable-Explain in comments section.

CT - Upload documents to Charter Tools

FACILITIES					
Indicators	Y	N	N/A	CT	COMMENTS
a. A copy of the initial Certificate of Occupancy issued by the Code Enforcement Department of jurisdiction is on file at the school and has been submitted to the district, including a copy to cover any renovations.				✓	
b. A copy of the most recent Fire Safety Inspection Report per Florida Statute Sec. 1013.12 (5) (b) showing that the school's facilities meet the building code and fire prevention code and/or any deficiencies are being corrected in accordance with the report.				✓	
c. A copy of the semi-annual County Health Department sanitation inspection is on file at the school and submitted to the district, including standards for serving food and drinking water.				✓	
d. A copy of the schedule for Evacuation and Fire Drills for each school year as required by the Fire Marshall of jurisdiction including the dates and comments of actual drills performed. Unannounced drills shall be performed a minimum of every other month. This documentation is on file at the school and submitted to the district.			✓		not on charter tools
e. Evidence that procedures are in place to manage and regulate hazardous materials.				✓	
f. Evidence that procedures are in place to ensure the review of material safety data sheets (MSDS) for every chemical product used in these and the maintenance activities each charter facility to be sure that all unused and waste chemical products are properly labeled.				✓	
g. Per Florida Statute Sec. 1013.33 and 1013.35 charter schools participate in the annual Tentative Educational Facilities Work Plan. The following information must				✓	

FACILITIES					
Indicators	Y	N	N/A	CT	COMMENTS
be reported to the district: 1. Location of charter 2. Number of relocatables 3. Owner 4. Year started/scheduled 5. Total number of student stations 6. Current student enrollment 7. Years in contract 8. Charter school projections This information is part of the district's concurrency calculations and must be included in the Five Year Capital Improvement Plan.				✓	
ADDITIONAL NOTES/COMMENTS: 					

6 Indicators out of 6 met with compliance
 Signature Lyn Bongers Date 1/7/15

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology

Reviewed by: Lyn Bryant

Date of Visit: _____

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable-Explain in comments section.

CT - Upload documents to Charter Tools

GOVERNANCE					
Indicators	Y	N	N/A	CT	COMMENTS
The following essential documents are available, up-to-date, signed, dated, appropriately organized, readily accessible, and professionally presented in a notebook or available on a public website.					
a. Charter School application, contract, and any amendments. (with all up to date appendices that meet required standards)					
b. Current copy of Incorporation papers with bylaws. And a letter from school or its attorney that they are legally compliant, including with the Sunshine law).				✓	
c. Evidence that the Governing Board has timely completed the required Governance Training				✓	
d. Evidence of documentation informing parents how to register a complaint or place an item on the Governing Board Agenda.					
e. A set of documents organized chronologically containing Governing Board meeting announcements, meeting agendas (including citizen input) and meeting minutes (dated and signed). Also, evidence that the Governing Board held at least two public meetings per school year in the school district and complied with the Sunshine Law relating to its meetings. These items should be available upon request.					
f. Evidence of policies that have been adopted by the Governing Board. Each policy is dated, signed and adoption dates are included in minutes.				✓	

GOVERNANCE					
Indicators	Y	N	N/A	CT	COMMENTS
g. Evidence that the governing board of the school adopted policies establishing standards of ethical conduct for instructional personnel and school administrators, as defined in s.1012.01, to complete training on the standards; establish the duty of instructional personnel and school administrators to report, and procedures for reporting, alleged misconduct by other instructional personnel and school administrators which affects the health, safety, or welfare of a student; and include an explanation of the liability protections provided under ss. 39.203 and 768.095.					
h. Provide a current organization chart for the school, including the relationship of the Board to the school's leadership.				✓	
i. Provide a list of current Board members. Provide a brief description of the person's background.				✓	
1. Provide written strategies used to recruit, hire, train and retain qualified staff to achieve the best teaching and learning results.				✓	
2. Evidence that the school's mission/vision is reflected in the school's climate and progress of school achieving its mission.					
3. Provide evidence of the existence of the parent representative and how the representative's contact information was provided annually in writing to parents and posted prominently on the charter school's website.					
4. The school reported its student assessment data to each parent of a student at the school, the parent of a child on a waiting list for the school, the district in which the charter school is located, and the governing board of the school and that this information is on its Internet website.					
5. Evidence the school maintains a website that enables the public to obtain information regarding the school; the school's academic performance; the names of the governing board members; the programs at the school; any management companies, service providers, or education	Reviewed at Charter Office via CT/PS/TERMS				

GOVERNANCE					
Indicators	Y	N	N/A	CT	COMMENTS
management corporations associated with the school; the school's annual budget and its annual independent fiscal audit; the school's grade pursuant to s. 1008.34; and, on a quarterly basis, and the minutes of governing board meetings.	Reviewed at Charter Office via CT/PS/TERMS				
6. Provide a letter from the school or its attorney confirming that an employee of the school, or his or her spouse, or an employee of the school's charter management organization, or his or her spouse, are not a member of the governing board of the charter school.				✓	
7. Provide a letter from the school or its attorney confirming from the school that all members of its governing board are in compliance with these Florida Ethics Code provisions 112.313(2), (3), (7), and (12) and 112.3143(3), including that they have no conflicts of interest.				✓	
8. Provide a letter from the school or its attorney confirming that the school and or any of its employees, have not entered into a confidentiality agreement regarding terminated or dismissed instructional personnel or school administrators, or personnel or administrators who resign in lieu of termination, based in whole or in part on misconduct that affects the health, safety, or welfare of a student, and have not provided instructional personnel or school administrators with employment references or discuss the personnel's or administrators' performance with prospective employers in another educational setting, without disclosing the personnel's or administrators' misconduct.				✓	
ADDITIONAL NOTES/COMMENTS:					

9 Indicators out of 9 met with compliance

Signature Lyn Boyer

Date 1/7/15

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: GSOTA

Reviewed by: JIM PEGG

Date of Visit: 12/4/14

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable-Explain in comments section.

CT - Upload documents to Charter Tools

GOVERNANCE					
Indicators	Y	N	N/A	CT	COMMENTS
The following essential documents are available, up-to-date, signed, dated, appropriately organized, readily accessible, and professionally presented in a notebook or available on a public website.					
a. Charter School application, contract, and any amendments. (with all up to date appendices that meet required standards)	✓				
b. Current copy of Incorporation papers with bylaws. And a letter from school or its attorney that they are legally compliant, including with the Sunshine law).					
c. Evidence that the Governing Board has timely completed the required Governance Training					
d. Evidence of documentation informing parents how to register a complaint or place an item on the Governing Board Agenda.	✓				on website
e. A set of documents organized chronologically containing Governing Board meeting announcements, meeting agendas (including citizen input) and meeting minutes (dated and signed). Also, evidence that the Governing Board held at least two public meetings per school year in the school district and complied with the Sunshine Law relating to its meetings. These items should be available upon request.	✓				Posted on website
f. Evidence of policies that have been adopted by the Governing Board. Each policy is dated, signed and adoption dates are included in minutes.					

GOVERNANCE					
Indicators	Y	N	N/A	CT	COMMENTS
g. Evidence that the governing board of the school adopted policies establishing standards of ethical conduct for instructional personnel and school administrators, as defined in s.1012.01, to complete training on the standards; establish the duty of instructional personnel and school administrators to report, and procedures for reporting, alleged misconduct by other instructional personnel and school administrators which affects the health, safety, or welfare of a student; and include an explanation of the liability protections provided under ss. 39.203 and 768.095.	✓				
h. Provide a current organization chart for the school, including the relationship of the Board to the school's leadership.					
i. Provide a list of current Board members. Provide a brief description of the person's background.					
1. Provide written strategies used to recruit, hire, train and retain qualified staff to achieve the best teaching and learning results.					
2. Evidence that the school's mission/vision is reflected in the school's climate and progress of school achieving its mission.	✓				on website
3. Provide evidence of the existence of the parent representative and how the representative's contact information was provided annually in writing to parents and posted prominently on the charter school's website.	✓				on website & in handbook
4. The school reported its student assessment data to each parent of a student at the school, the parent of a child on a waiting list for the school, the district in which the charter school is located, and the governing board of the school and that this information is on its Internet website.	✓				was distributed
5. Evidence the school maintains a website that enables the public to obtain information regarding the school; the school's academic performance; the names of the governing board members; the programs at the school; any management companies, service providers, or education	Reviewed at Charter Office via CT/PS/TERMS				

GOVERNANCE					
Indicators	Y	N	N/A	CT	COMMENTS
management corporations associated with the school; the school's annual budget and its annual independent fiscal audit; the school's grade pursuant to s. 1008.34; and, on a quarterly basis, and the minutes of governing board meetings.	Reviewed at Charter Office via CT/PS/TERMS				
6. Provide a letter from the school or its attorney confirming that an employee of the school, or his or her spouse, or an employee of the school's charter management organization, or his or her spouse, are not a member of the governing board of the charter school.					
7. Provide a letter from the school or its attorney confirming from the school that all members of its governing board are in compliance with these Florida Ethics Code provisions 112.313(2), (3), (7), and (12) and 112.3143(3), including that they have no conflicts of interest.					
8. Provide a letter from the school or its attorney confirming that the school and or any of its employees, have not entered into a confidentiality agreement regarding terminated or dismissed instructional personnel or school administrators, or personnel or administrators who resign in lieu of termination, based in whole or in part on misconduct that affects the health, safety, or welfare of a student, and have not provided instructional personnel or school administrators with employment references or discuss the personnel's or administrators' performance with prospective employers in another educational setting, without disclosing the personnel's or administrators' misconduct.					
ADDITIONAL NOTES/COMMENTS:					

_____ Indicators out of _____ met with compliance

Signature _____ Date _____

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Tech Arts _____

Reviewed by: Steve Byrne _____

Date of Visit: 12-04-2014 _____

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable

CMS -- Upload documents to Charter Monitoring System

ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL)				
Indicators	Y	N	N/A	COMMENTS
1. Registration				
a. Evidence of comprehensible registration procedures for ELLs and families have been established and the school registration form which includes a Home Language Survey (HLS) is translated in the District's four major languages (English, Spanish, Haitian Creole and Portuguese)	X			
2. Personnel				
a. All instructional staff members are in compliance (or in process of compliance) with professional qualifications required by the Florida Department of Education for personnel who teach ELLs. (ESOL Endorsement, ESOL coverage or ESOL Certification)	X			
b. There is a full-time, bilingual staff member who speaks the SAME home language of the ELLs when 15 or more students speak the same language.			X	This school has fewer than fifteen ELL students.
3. Instruction				
a. Evidence of comprehensible instruction that includes the use of appropriate ESOL instructional strategies with English Language Learners (ELLs).	X			
4. Assessment				
a. Evidence of students entering a FL school for the first time who check "YES" to any of the three questions on the Home Language Survey (HLS) are administered an English language proficiency assessment within twenty (20) school days as required by Consent Decree.	X			

ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL)				
Indicators	Y	N	N/A	COMMENTS
5. ESOL Student Files and Recordkeeping				
a. Evidence that ELL student records are maintained in compliance with requirements of the Consent Decree and FEFP reporting procedures.	X			
6. Communication				
a. In accordance with the Department of Justice Agreement, there is evidence of communication with parents/guardians of ELLs regarding discipline procedures, Code of Conduct, registration, school-wide expectations, etc. that is translated into the District's major languages (Spanish, Haitian Creole, Portuguese) and interpreters are available at parent meetings and conferences so that information is presented in a language understood by the parent/guardian.	X			
ADDITIONAL NOTES/COMMENTS				

6 Indicators out of 6 met with compliance

Signature Steve Byrne Date 12-05-2014

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Tech Arts _____

Reviewed by: Steve Byrne _____

Date of Visit: 12-04-2014 _____

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable

CMS -- Upload documents to Charter Monitoring System

ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL)				
Indicators	Y	N	N/A	COMMENTS
1. Registration				
a. Evidence of comprehensible registration procedures for ELLs and families have been established and the school registration form which includes a Home Language Survey (HLS) is translated in the District's four major languages (English, Spanish, Haitian Creole and Portuguese)	X			
2. Personnel				
a. All instructional staff members are in compliance (or in process of compliance) with professional qualifications required by the Florida Department of Education for personnel who teach ELLs. (ESOL Endorsement, ESOL coverage or ESOL Certification)	X			
b. There is a full-time, bilingual staff member who speaks the SAME home language of the ELLs when 15 or more students speak the same language.			X	This school has fewer than fifteen ELL students.
3. Instruction				
a. Evidence of comprehensible instruction that includes the use of appropriate ESOL instructional strategies with English Language Learners (ELLs).	X			
4. Assessment				
a. Evidence of students entering a FL school for the first time who check "YES" to any of the three questions on the Home Language Survey (HLS) are administered an English language proficiency assessment within twenty (20) school days as required by Consent Decree.	X			

ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL)				
Indicators	Y	N	N/A	COMMENTS
5. ESOL Student Files and Recordkeeping				
a. Evidence that ELL student records are maintained in compliance with requirements of the Consent Decree and FEFP reporting procedures.	X			
6. Communication				
a. In accordance with the Department of Justice Agreement, there is evidence of communication with parents/guardians of ELLs regarding discipline procedures, Code of Conduct, registration, school-wide expectations, etc. that is translated into the District's major languages (Spanish, Haitian Creole, Portuguese) and interpreters are available at parent meetings and conferences so that information is presented in a language understood by the parent/guardian.	X			
ADDITIONAL NOTES/COMMENTS				

6 Indicators out of 6 met with compliance

Signature Steve Byrne Date 12-05-2014

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens Schools of the Arts

Reviewed by: Carl Ballard

Date of Visit: N/A


Each reviewer will complete a review document by marking as follows:

- YES – Appropriate information and/or evidence of documentation is in place.
- NO – Necessary information and/or evidence of documentation incomplete or is not in place.
- N/A – Not applicable
- CMS--Upload documents to Charter Monitoring System

TRANSPORTATION					
Indicators	Y	N	N/A	CMS	COMMENTS
a. Evidence that transportation is provided consistent with the requirements of subpart I.E. of chapter 1006 and s.1012.45.	✓				
b. Information relevant to all students transported by a school bus is on file.			✓		No Bus Service
c. Evidence of contract information relevant to any situation where a parent or other driver is providing transportation services.			✓		
d. Evidence that any vehicle owned or leased by the school and that is used to transport students is properly certified, insured, and maintained. If it is a school bus, evidence of school bus specification compliance and school bus operator qualifications are required.			✓		
e. Copies of all contracts for student transportation are on file.			✓		
f. Evidence of policies and procedures to enforce high standards for student conduct on school buses.			✓		
g. Evidence that school buses used to transport students have been inspected at a maximum interval of thirty (30) school days and maintained in accordance with the <i>State of Florida Bus Safety Inspection Manual</i> , 2008 Edition.			✓		
h. Evidence that transportation is not a barrier to equal access to the charter program.	✓				
i. Evidence to confirm supervision was provided and that school bus loading zones were designed and located to minimize hazards to students. Vehicular traffic directional and warning signs were posted and traffic was monitored to ensure a safe and orderly flow.			✓		

TRANSPORTATION					
Indicators	Y	N	N/A	CMS	COMMENTS
j. Evidence to confirm that all required transportation documentation of special needs students is on file.			✓		
k. Evidence to confirm compliance with state law and having a policy prohibiting the use of cellular telephone by any school bus operator while actively driving the bus.			✓		
l. Evidence to confirm compliance with and having a policy that prohibits unnecessary idling of school buses while they are in the vicinity of students.	✓		✓		
m. Evidence to confirm compliance with and having a policy for student <i>Safe Rider Instruction Plan</i> .			✓		
n. Evidence to confirm compliance with and having a policy for school bus operator <i>Safe Driver Plan</i> .			✓		
ADDITIONAL NOTES/COMMENTS					

14 Indicators out of 14 met with compliance

Signature 

Date 1/28/2015

School District of Palm Beach County
CHARTER SCHOOL MID-YEAR REVIEW

CHARTER SCHOOL: Gardens School of Technology Arts

Reviewed by: Debbie Hardman

Date of Visit: 12/5/14

Each reviewer will complete a review document by marking as follows:

YES – Appropriate information and/or evidence of documentation is in place.

NO – Necessary information and/or evidence of documentation incomplete or is not in place.

N/A – Not applicable-Explain in comments section.

CMS - Upload documents to Charter Monitoring System

FOOD SERVICE					
Indicators	Y	N	N/A	CMS	COMMENTS
a. Evidence of procedures and policies covering the administration and operation of the School Food Service program as stated in the agreement.	x				
b. Evidence that the Governing Board has adopted policies to provide for an appropriate food and nutrition program for students consistent with Local, State and Federal guidelines.	x				
c. Evidence that Free and Reduced Applications have been made available to every household.	x				
d. The charter school has potable water available to all students during meal service per guidelines set by the USDA.	x				
e. Meals served meet all guidelines as set by the National School Lunch Program.	x				
f. Procedures are in place to ensure that proper temperatures, storage and handling of foods are appropriate to safety and sanitation standards.	x				
g. Current operating permit from the Health Department is posted.	x				
h. Evidence that the charter school is in compliance with the USDA competitive Food Rule.	x				
i. A signed copy of the Charter School Food Service Agreement is on file if applicable.	x				
j. Production records (Satellite Delivery Tickets) documenting menu items, portion sizes, amount prepared and served are completed and returned to the base school on a daily basis.	x				

10 Indicators out of 10 met with compliance

Signature Debbie Hardman

Date 12/5/14

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 36

GSOTA's Procurement Policy

Gardens School of Technology Arts
Procurement Policy and Procedures v1



Purpose of Procurement Policy and Procedures

This policy is designed to ensure that school resources and services are obtained in an effective manner and in compliance with the provisions of applicable Federal and State statutes and executive orders

Code of Conduct

No Governing Board Member, officer, school employee (including volunteers), agent or independent contractor shall participate in the selection, award, or administration of a school contract if a real or apparent conflict of interest would be involved. A conflict would arise when any of the above individuals, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated, has a financial or other interest in the firm selected for an award. The above individuals shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements, except for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value, [in excess of \$100]. The Governing Board will take action as it shall deem appropriate in response to any violation of this policy. Such action may include, but not be limited to the termination of the individual in breach of this policy as well as the termination of the contract for resources or services that were secured under a breach of conflict of interest policy.

Competitive Procurements

All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The Governing Board and its management and employees shall be alert to organizational conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Awards must be made to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to the school, price, quality and other factors considered. Solicitations shall clearly establish all requirements that the bidder or offeror shall fulfill in order for the bid or offer to be evaluated by the school. The school may reject any and all bids or offers when it is in the school's interest to do so.

Procurement Procedures

The school's procurement procedures and requirements are as follows:

- (1) The school must avoid purchasing unnecessary items;
- (2) Where appropriate, the school must analyze lease and purchase alternatives to determine which would be the most economical and practical procurement for the school and this analysis must be documented to facilitate future review and audits; or
- (3) Solicit bids for goods and services, providing for all of the following:

- (a) A clear and accurate description of the technical requirements for the material, product, or service to be procured.
- (b) Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals.
- (c) A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
- (d) The specific features of brand name or equal descriptions that bidders are required to meet when these items are included in the solicitation.
- (e) The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.
- (f) Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment, and are energy efficient.

(4) The school will make a positive effort to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible and the fullest extent practicable.

(5) The type of contract, purchase order or incentive contract used by the school must be appropriate for the particular procurement and for promoting the best interest of the program or project involved.

(6) The school must enter contracts only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration is given to matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

(7) Special circumstances may apply and the school may be required to make available, to Federal and State officials upon their request, pre-award review and procurement documents (see the attached Federal Procurement Standards for further details).

(8) The school is free to contract with a faith-based organization on the same basis as any other private organization, with respect to contracts for which such other organizations are eligible.

(9) School management will demonstrate that some form of cost or price analysis was made and documented in the procurement files in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability.

(10) Procurement records and files for purchases in excess of the small purchase threshold of (currently \$25,000 per Federal Guidelines) must include the following at a

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 37

Lease Agreement between
Covenant Centre International, Inc.
and
GSOTA

FLORIDA LEASE AGREEMENT

between

Covenant Centre International, Inc. (Landlord)

and

Gardens School of Technology Arts, Inc. (Tenant)

8/10/2016

ag Cash Tool

LEASE AGREEMENT

THIS LEASE made and entered into, by and between COVENANT CENTRE INTERNATIONAL, INC., a Florida non-profit corporation ("Landlord") and GARDENS SCHOOL OF TECHNOLOGY ARTS, INC., as defined by Florida charter school law and a Florida non-profit corporation ("Tenant").

RECITALS:

WHEREAS, Landlord is the owner of certain real property situated in Palm Beach County, Florida, at 9153 Roan Lane, Palm Beach Gardens, FL (hereinafter "the Church"); and

WHEREAS, Tenant has requested a lease to occupy a portion of the Church's campus to facilitate Tenant's use for charter school purposes, on an exclusive basis the rooms, common areas, parking stalls and fields (hereinafter sometime referred to as the "Exclusive Leased Premises"); together with the right to use on a non-exclusive basis during normal school hours the rooms, common areas, parking stalls and fields (hereinafter sometimes referred to as the "Non-Exclusive Leased Premises"), all as more particularly and separately depicted on Exhibit "A". The Exclusive Leased Premises and the Non-Exclusive Leased Premises are sometimes hereinafter referred to collectively as the "Leased Premises"; and

WHEREAS, Landlord desires to lease the Leased Premises to Tenant for the term, at the rental and upon the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

The foregoing recitals set forth above are true and correct and incorporated herein by reference.

ARTICLE I BASIC LEASE PROVISIONS

Section 1.01 Terms and Conditions. Landlord hereby grants to Tenant the right to and Tenant shall be permitted to utilize the Leased Premises pursuant to the terms, conditions and provisions of this Lease. Tenant shall have exclusive use of the Exclusive Leased Premises and non-exclusive use of the Non-Exclusive Leased Premises. All special events that Tenant may wish to schedule involving the use of any portion of the Non-Exclusive Leased Premises or other portions of the Church shall be coordinated and scheduled in advance with Landlord's representative, as designated from time to time.

Section 1.02 Length of Term and Commencement Date. The term of this Lease shall commence on ~~July 1, 2014~~ (the "Commencement Date") and shall extend

until ~~June 30, 2016~~ (the "Term"), unless sooner terminated pursuant to the provisions of this Lease. Upon expiration of the Term, or extended Term as set forth below, Tenant covenants that it will not seek payment or reimbursement from Landlord for any costs and expenses incurred, including but not limited to moving costs. Tenant's acknowledgment and covenant is a material inducement to Landlord entering into this Lease.

Section 1.03 Option to Renew. Provided this Lease has not been otherwise terminated and Tenant is not in default under the terms of this Lease, the parties shall have the mutual option of extending this Lease for successive period(s) of (5) years under the same terms and conditions of this Lease at a rate mutually agreed to by the parties. Tenant shall provide notice of its intent to exercise such options by delivering written notice of Tenant's intent to exercise of such options to Landlord at least ninety (90) days prior to expiration of the then current term. Failure of Tenant to duly and timely exercise its option to renew this Lease shall be deemed a waiver of Tenant's right to said option and all further options. Landlord shall provide Tenant with a written response within thirty (30) days of receipt of Tenant's notice, either extending the current term by amendment to this Lease or declining to extend the Term, in which event the Lease shall expire as scheduled. Failure of Landlord to duly and timely respond to Tenant's notice of intent to extend shall be deemed an approval of the renewal Term.

Section 1.04 Acceptance by Tenant. Acceptance of the Leased Premises by Tenant is contingent on Tenant receiving proof that Landlord has secured at the Landlord's sole cost and expense, all approvals and inspections, including but not limited to local, state and federal permits, inspections alterations and improvements that are required in order for Tenant to secure the required approval of the Palm Beach County School Board for Tenant to open a public charter school within the Leased Premises. Once in receipt of such proof, as confirmed by the Palm Beach County School Board, Tenant certifies that Tenant has inspected the Leased Premises and accepts same "As Is," in its existing condition, as of the Commencement Date of this Lease, together with all defects, latent or patent, if any, and subject to all easements, encumbrances and restrictions and matters of record.

Section 1.05 Inability to Operate. In the event that Tenant is unable for any reason to operate a public charter school within the Leased Premises by August 22, 2011, Tenant will have the sole right to terminate this Lease immediately by serving Landlord with written notice and the parties shall be relieved of all further obligations. Notwithstanding such termination, Tenant shall not be liable for any rent that would have been due under the terms of this Lease.

ARTICLE II RENT

Tenant shall pay to Landlord during the initial year of the Term rent of \$110,000 per year, payable in installments of \$9,166.67 per month. Each installment payment shall be due in advance on the first day of each calendar month during the Lease Term

to Landlord also at 9153 Roan Lane, Palm Beach Gardens, FL 33403 or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the Lease Term shall be prorated on a daily basis. Tenant shall pay to the Landlord a "Security Deposit" in the amount of \$0.

The monthly rent if created as permitted under this Lease, shall be as follows:

Year 1: \$9,166.67
Year 2: \$10,833.33
Year 3: \$10,833.33
Year 4: \$10,833.33
Year 5: \$10,833.33

ARTICLE III ALTERATIONS TO LEASED PREMISES

Section 3.01. Tenant's Work.

Tenant shall not at any time construct or make any improvements, additions, modifications or alterations to the Leased Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. In the event Tenant proposes to construct any alteration, improvement, or modification of the Leased Premises, Tenant shall submit to Landlord conceptual plans and specifications for such proposed alterations (the "Alterations"). In the event Landlord approves such Alterations, Tenant shall prepare and submit to Landlord for approval detailed plans and otherwise comply with the terms of this Article III. All Alterations, including improvements, additions and modifications constructed by Tenant shall be deemed a part of the Leased Premises, and, upon expiration or earlier termination of this Lease, shall, at the sole discretion of Landlord, be removed by Tenant and Tenant shall repair any damage caused by the installation, use, maintenance or removal of the Alterations, using materials of like kind and quality.

(b) Governmental Approvals. Following the school opening date, Tenant shall obtain, at Tenant's sole cost and expense, all other approvals, including but not limited to School Board, local, state and federal permits and consents necessary for construction of any Alterations and shall further be responsible for all conditions which may be imposed in connection with such approvals. Tenant acknowledges that it will not use this Lease, or the requirements of this Lease, as a basis for argument that Tenant should be relieved of, or have modified conditions and/or interpretations of any regulatory requirements. Nothing contained herein shall be construed to alter, limit or eliminate the obligation of the parties to comply with applicable ordinances, statutes and laws relating to such approvals.

(c) General Installation Guidelines. Following the school opening date, all work performed by Tenant pursuant to this Lease shall be performed by Tenant at Tenant's sole cost and expense, and shall be performed by contractors who are approved in advance by Landlord. All work shall be performed in a good and workmanlike manner and shall be diligently prosecuted to completion substantially in accordance with the plans approved by Landlord, and all applicable governmental laws, regulations, rules, codes and orders. Tenant, its contractors, subcontractors, laborers,

material, men, suppliers and professionals shall exercise diligent care and caution in the installation, construction, maintenance, and repair of the Leased Premises or any appurtenances thereto, in order to avoid damage to the Church and Landlord's improvements. In the event of such damage, Tenant shall promptly repair said damage using materials of like kind and quality, restoring it to its condition prior to damage by Tenant, at Tenant's sole cost and expense. Tenant agrees and acknowledges that all work performed by Tenant pursuant to this Lease is performed and accomplished solely for the benefit and convenience of Tenant and not for the benefit Landlord, such work being nonetheless subject to each and every provision of this Lease and shall be performed to the satisfaction of Landlord. Tenant shall ensure that all persons or entities performing work or providing materials relating to such improvements including, without limitation, all contractors, subcontractors, sub-subcontractors, laborers, materialmen, suppliers and professionals, are paid in full for such services and materials.

(d) Contractor Requirements. Tenant shall require contractors to furnish satisfactory evidence of statutory Worker's Compensation insurance, comprehensive general liability insurance, comprehensive automobile insurance, and physical damage insurance on a Builder's Risk form with the interest of Landlord endorsed thereon, in such amounts and in such manner as Landlord may reasonably require. Landlord may require additional insurance for any alterations or improvements approved hereunder, in such amount as Landlord reasonably determines to be necessary.

(e) No Liens. Tenant covenants and agrees that nothing contained in this Lease shall be construed as consent by Landlord to subject the estate of Landlord to liability under the Construction Lien Law of the State of Florida, it being expressly understood that Landlord's estate shall not be subject to such liability. Tenant shall notify any and all parties or entities performing work or providing materials relating to any improvements made by Tenant of this provision of this Lease. If so requested by Landlord, Tenant shall file a notice satisfactory to Landlord in the Public Records of Palm Beach County, Florida stating that Landlord's interest shall not be subject to liens for improvements made by Tenant. In the event that a construction lien is filed in connection with any work performed by or on behalf of Tenant, Tenant shall satisfy such claim, or transfer same to security, within thirty (30) days from the date Tenant received notice of such filing. In the event that Tenant fails to satisfy or transfer such claim within said thirty (30) day period, Landlord may do so and thereafter charge Tenant, and Tenant shall promptly pay to Landlord upon demand all costs incurred by Landlord in connection with the satisfaction or transfer of such claim, including attorney's fees. Further, Tenant agrees to indemnify, defend, and save Landlord harmless from and against any damage or loss incurred by Landlord as a result of any such construction lien.

ARTICLE IV CONDUCT OF BUSINESS AND USE OF BY TENANT

Section 4.01 Use. Tenant shall exercise the rights granted hereunder solely and exclusively for operation of a charter school pursuant to its Charter Contract. Tenant shall not use, or suffer the use of the Leased Premises for any other use, business, or purpose other than those specifically permitted hereby.

Section 4.02 Waste or Nuisance. Tenant shall not commit or suffer to be committed any waste upon or within the Leased Premises, commit or permit the

maintenance or commission of any nuisance or other act or thing which interferes with Landlord's or any third parties' quiet enjoyment of the Leased Premises or results in damage to the Leased Premises or which may affect Landlord's interest in the Leased Premises or results in an unsightly condition.

Section 4.03 Surrender. Upon termination or expiration of this Lease, the Tenant shall *vacate* and surrender the Leased Premises to LANDLORD and the parties shall be relieved of all further obligations arising subsequent to the date of such termination or expiration.

ARTICLE V REPAIRS AND MAINTENANCE

Section 5.01 Responsibility of Landlord. Landlord shall be responsible for repairs and maintenance of the building systems such as the roof, structural, electrical, plumbing and HVAC systems of the Leased Premises. Landlord shall keep and maintain in good condition, kitchen, telephone system, alarm and monitoring system and the overall property in a clean condition, free of refuse, trash and rubbish, at Landlord's sole cost and expense.

Section 5.02 Responsibility of Tenant. Tenant shall be responsible for any repairs caused by the negligent or intentional acts of Tenant or Tenant's employees, agents, students, invitees or contractors as well as for routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, except for major mechanical systems, air conditioning or the roof, subject to the obligations of the parties otherwise set forth in this Lease. Tenant shall provide Landlord with thirty (30) days advance notice of any such work which may reasonably be foreseen by Tenant to impact the Church. The notice required under this Section shall describe in detail the type of work to be performed. Tenant shall cooperate with LANDLORD to devise a plan to permit such work and minimize the impact of such work to the Leased Premises. Tenant shall be responsible for all costs associated with preparation of and implementation of such plan. Notwithstanding the foregoing, in the event of an emergency, Landlord and Tenant shall have no duty to provide such advance notice as a result of undertaking any work necessary as a result of such emergency. For purposes of this Section 5.02, an "emergency" shall be defined as the occurrence of an event that threatens immediate harm to persons or property.

Section 5.03 School Board's Right to Inspect. Landlord as well as the School Board or School Board's agents shall have the right to inspect the Leased Premises. Landlord shall conduct such inspections in a manner that does not unreasonably interfere with or disrupt Tenant's operations.

ARTICLE VI INSURANCE

If the Leased Premises or any other part of the Building is damaged by fire or

other casualty resulting from any act of negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

Landlord shall maintain fire and extended coverage insurance on the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all its personal property, including removable trade fixtures, located in the Leased Premises.

Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the Building with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by the School Board of Palm Beach County, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

ARTICLE VII DAMAGE OR DESTRUCTION

In the event the Leased Premises is destroyed or so damaged or injured by fire or other casualty during the Term of this Lease, whereby the same are rendered untenable, in whole or in part, Landlord may, at its sole option, elect not to restore or repair the Leased Premises but to terminate this Lease. Notwithstanding anything herein to the contrary, in the event of damage by fire or other casualty that cannot reasonably be expected to be repaired within thirty (30) days following same or, if the Leased Premises is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt Tenant's operations for more than thirty (30) days, then Tenant may at any time following such fire or other casualty terminate this Lease upon immediate written notice to Landlord. Notwithstanding the foregoing, in the event such casualty is caused by the negligent or intentional acts of Tenant or its employees, contractors or agents, Tenant shall not have the right to terminate this Lease. In the event either Landlord or Tenant elects to terminate this Lease, Tenant shall vacate and surrender the Leased Premises as required hereby, whereupon the parties shall be relieved of all further obligations hereunder arising after the date of such termination. The termination herein mentioned shall be evidenced in writing. Termination of this Lease shall not affect Tenant's obligations under this Lease arising prior to such termination.

ARTICLE IIX ASSIGNMENT AND SUBLETTING

Tenant may not assign, mortgage, pledge, collaterally assign, or encumber their

interest in this Lease, in whole or in part, nor sublet or rent all or any portion of the Leased Premises nor grant any easements or enter into any management agreements affecting the Leased Premises, without prior written consent Landlord, which may be granted or withheld at Landlord's sole and absolute discretion. This provision shall be construed to include a prohibition against any assignment, mortgage, pledge, encumbrance, or sublease, by operation of law, legal process, receivership, bankruptcy, or otherwise, whether voluntary or involuntary.

ARTICLE IX SUBORDINATION

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

ARTICLE X UTILITIES

Landlord shall be responsible for and pay all of the utility fees used by, and directly related to operation of the Leased Premises such as water, sewer, gas, electricity, phone service, internet service and trash removal service while in possession of same during the Term of this Lease unless otherwise expressly agreed in writing by Tenant. Tenant acknowledges that the Leased Premises are designed to provide standard school use electrical facilities and standard school lighting. Tenant shall not use any equipment or devices that utilize excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to the Leased Premises.

ARTICLE XI

SIGNS

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

ARTICLE XII ACCESS

Tenant shall comply with any reasonable security procedures established by Landlord to prevent unauthorized access to the Leased Premises and Church generally. Tenant and Landlord shall each designate emergency contact personnel to notify in case of an emergency requiring access to the Leased Premises. Landlord shall comply with any reasonable security procedures established by Tenant to prevent unauthorized access to the Leased Premises and particularly unauthorized access to Tenant's students present within the Leased Premises.

ARTICLE XIII DEFAULT

Section 12.01 Default by Tenant. The occurrence of any one or more of the following shall constitute an Event of Default by Tenant under this Lease: (i) Tenant's failure to pay any sum due hereunder within fifteen (15) days after demand for said payment; (ii) Tenant's failure to perform or observe any other term, covenant, or condition of this Lease on Tenant's part to be performed hereunder and such failure continues for a period of more than thirty (30) days after the date Tenant receives written notice from Landlord notifying Tenant of the specific failure; provided, however, Tenant shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and Tenant commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion within sixty (60) days; (iii) Tenant's leasehold estate being taken by execution, attachment or process of law or being subjected to any bankruptcy proceeding; or (iv) termination of the Charter Contract. If any Event of Default occurs, then at any time thereafter while the Event of Default continues, Landlord shall have the right to pursue such remedies as may be available to Landlord under the law, including, without limitation, the right to give Tenant notice that Landlord intends to terminate this Lease upon a specified date not less than three (3) days after the date notice is received by Tenant, in which event this Lease shall then expire on the date specified as if that date had been originally fixed as the expiration date of the Term of this Lease. If, however, the default is cured within the three (3) day

period and Landlord is so notified, this Lease will continue.

Section 12.02 Default by LANDLORD. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord, specifying wherein Landlord has failed to perform such obligations; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently pursues the same to completion.

ARTICLE XIII EARLY TERMINATION

Tenant reserves the right to terminate this Lease prior to expiration of the Term, or any extension thereof, by providing Landlord with sixty (60) days prior written notice to Landlord. Following twenty-four (24) months from the Commencement Date of this Lease, such early termination prior to expiration of the Term will not result in any penalty or additional rent being owed by Tenant to Landlord. Except for default by Landlord, in the event that Tenant voluntarily terminates the Lease early prior to the first twenty-four (24) months from the Commencement Date of this Lease, then Tenant will be responsible to pay all rent still due during the twenty-four (24) months from the Commencement Date of this Lease.

ARTICLE XIV QUIET ENJOYMENT

Upon the observance and performance of all the covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall peaceably and quietly hold and enjoy the rights granted hereunder in the Leased Premises for the Term without hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under Landlord, subject, nevertheless, to the terms and conditions of this Lease. Tenant acknowledges that Landlord has retained the right to use the entire Church, except for the Exclusive Leased Premises (and the Non-Exclusive Leased Premises during normal school hours) and Landlord's exercise of these rights shall not be grounds for a claim by Tenant of a breach of this Article.

ARTICLE XV MISCELLANEOUS

Section 16.01 Entire Agreement. This Lease and any Exhibits attached hereto and forming a part hereof, as if fully set forth herein, constitute all agreements, conditions and understandings between Landlord and Tenant. All representations, either oral or written, shall be deemed to be merged into this Lease. Except as herein otherwise provided, no subsequent alteration, waiver, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

Section 16.02 Notices. All notices, consents, approvals, demands and elections (collectively, "notices") to be given or delivered by or to any party hereunder shall be in writing and shall be (as elected by the party giving such notice) hand delivered or alternatively shall be sent by United States Certified Mail, with Return-Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services, or national overnight delivery service, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designated the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

(a) If to the Tenant at:

Gardens School of Technology Arts, Inc.
Shane Vander Kooi, Director of Innovation & Operations
9153 Roan Lane
Palm Beach Gardens, Florida 33403

with copies to:

Gardens School of Technology Arts, Inc.
Debra K. Moore, Board President
9153 Roan Lane
Palm Beach Gardens, Florida 33403

(b) If to LANDLORD at:

Covenant Centre International, Inc.
Norman Benz, President
9153 Roan Lane
Palm Beach Gardens, Florida 33403

Any party may from time to time change the address to which notice under this Lease shall be given such party, upon three (3) days prior written notice to the other parties.

Section 16.03 Severability. If any term of this Lease or the application thereof to any person or circumstances shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 16.04 Broker's Commission. Tenant represents and warrants that Tenant has not dealt with any real estate salesperson, agent, finder or broker in connection with this Lease and agrees to indemnify, defend and hold harmless Landlord

from and against any claims or demands of any such salesperson, agent, finder or broker claiming to have dealt with Tenant. The foregoing indemnification shall include all costs, expenses and fees, including reasonable attorney's fees at trial and all appellate levels, expended or incurred in the defense of any such claim or demand.

Section 16.05 Waiver. The waiver by either party of any default of any term, condition or covenant herein contained shall not be a waiver of such term, condition or covenant, or any subsequent default of the same or any other term, condition or covenant herein contained. The consent or approval by Landlord to or of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary School Board's consent to or approval of any subsequent similar act by Tenant. No waiver of any provision of this Lease shall be effective against any party hereto unless it is in writing and signed by the party(s) waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.

Section 16.06 Waiver of Jury Trial. THE PARTIES HERETO WAIVE TRIAL BY JURY IN CONNECTION WITH PROCEEDINGS OR COUNTER CLAIMS, BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER, IN CONNECTION WITH THIS LEASE

Section 16.07 Governing Law. This Lease shall be governed by and interpreted according to the laws of the State of Florida. Venue shall be in a State court of competent jurisdiction in Palm Beach County, Florida.

Section 16.08 Radon. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from School Board's public health unit.

Section 16.09 Time of the Essence. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

Section 16.10 Non-exclusivity of Remedies. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

Section 16.11 Construction. No party shall be considered the author of this Lease since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final agreement. Thus, the terms of this Lease shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or

provision hereof is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Lease and the same shall remain in full force and effect.

Section 16.12 Effective Date of Agreement. This Lease is expressly contingent upon the approval of Tenant, and shall become effective only when signed by Tenant and duly authorized representatives of Tenant.

Section 16.13 Force Majeure. Any party delayed by a Force Majeure Event, as defined herein, in performing under this Lease shall use reasonable efforts to remedy the cause or causes of such Force Majeure Event. A delay due to a Force Majeure Event shall serve to toll the time to perform under this Lease. "Force Majeure Event" shall mean any act of God, fire, flood, earthquake, explosion, riot, sabotage, windstorm, failure of utility service, or labor dispute.

Section 16.15 Binding Effect. This Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective legal representatives, successors and assigns.

Section 16.17 Headings. The paragraph headings or captions appearing in this Lease are for convenience only, are not part of this Lease, and are not to be considered in interpreting this Lease.

Section 16.18 Amendment. This Lease may be modified and amended only by written instrument executed by the parties hereto.

Section 16.19 Incorporation by Reference. Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Lease by reference.

Section 16.20 Property Taxes. Landlord agrees to provide Tenant an affidavit indicating the method by which the Landlord is complying with Florida Statute 196.1983 regarding the charter school's exemption from ad valorem taxes.

Section 16.21 Tenant's Property. Landlord agrees and acknowledges that all of the personal property of Tenant stored within the Leased Premises shall remain the property of Tenant, and upon expiration or earlier termination of this Lease, shall be removed by Tenant. Tenant acknowledges that the Leased Premises is being provided in an unfurnished state and that Tenant is solely responsible for providing furniture, equipment and other items of personal property, including but not limited to office and classroom furniture and computers, necessary to operate the charter school. Landlord further agrees and acknowledges that any property, improvements, furnishings, and equipment purchased by Tenant with public funds shall automatically revert to the School District of Palm Beach County (subject to any lawful liens and encumbrances) upon the termination of the Tenant's Charter Agreement. Property and assets purchased with public funds shall be defined as those goods purchased with grants and funds provided by a governmental entity. For no reason and at no time will the Landlord take or withhold possession of such property whether it be during the Term of this Lease or following the termination of the Tenant's Charter Agreement.

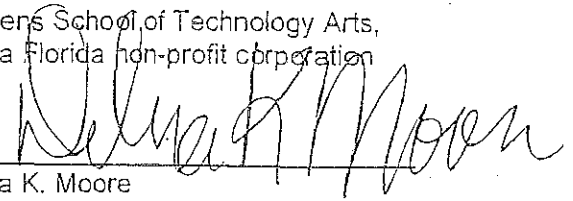
SCHEDULE OF EXHIBITS

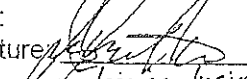
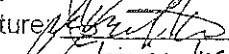
EXHIBIT "A" Sketch of Covenant Centre International, Inc.
Exclusive and Non-Exclusive Leased Premises, as marked

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease as of the day and year first below written.

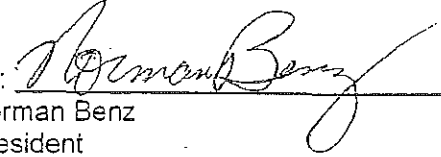
Date of execution 7/1/11

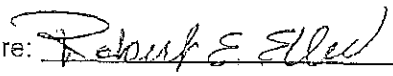
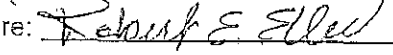
Gardens School of Technology Arts,
Inc., a Florida non-profit corporation

By: 
Debra K. Moore
President, Board of Directors

Attest: 
Signature: 
Title: By Jessica Jusino - Secretary
WITNESS

Covenant Centre International, Inc., a
Florida non-profit corporation

By: 
Norman Benz
President

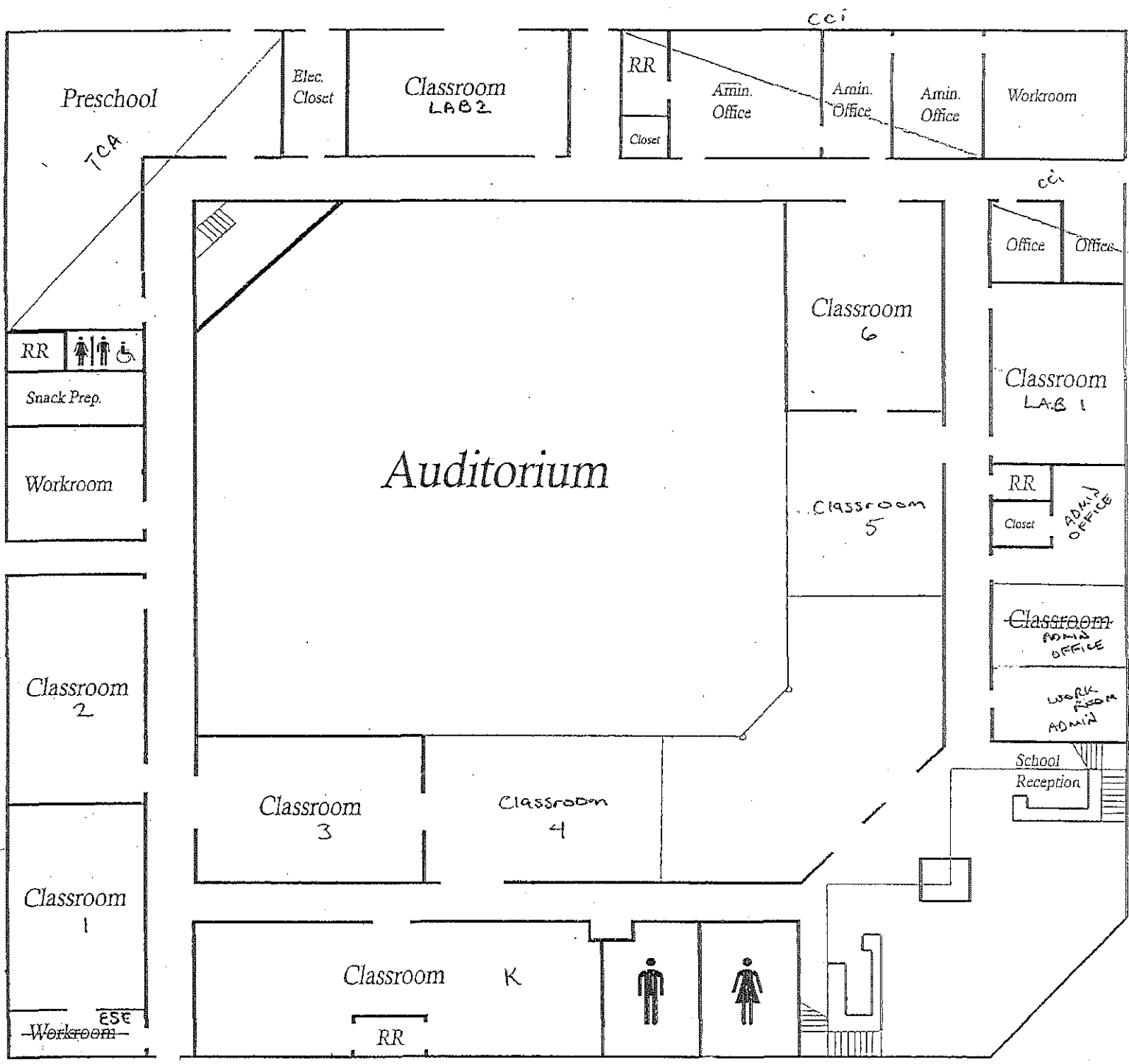
Attest: 
Signature: 
Title: ROBERT ELLEN witness



A Tuition Free Public Charter School

Updated

FLOOR F



RR - Restroom
 — Represents a New Wall To Be Built

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 38

Memorandum Dated: July 1, 2016

From: Florida Department of Education

Re: Distribution of Charter School Capital
Outlay Funds for FY 2016-17



Marva Johnson, *Chair*
John R. Padget, *Vice Chair*
Members
Gary Chartrand
Tom Grady
Rebecca Fishman Lipsey
Michael Olenick
Andy Tuck

MEMORANDUM

DATE: July 1, 2016

TO: District School Finance Officers
District School Charter School Contacts
Charter School Administrators

FROM: Suzanne Pridgeon *SP*

SUBJECT: Distribution of Charter School Capital Outlay Funds for 2016-17 Fiscal Year

Section 1013.62, Florida Statutes (F.S.), establishes eligibility criteria for charter school capital outlay funding, specifies the purposes for which charter school capital outlay funds may be expended and directs the Commissioner of Education to establish procedures for the submission and approval of charter school capital outlay plans.

Charter school capital outlay plans must be submitted to the Florida Department of Education online by July 15, 2016, and each sponsoring district must review and recommend its charter schools' plans by August 5, 2016. The commissioner will make the final determination of eligibility following receipt of capital outlay plans and district recommendations. The online application allows sponsoring districts to view a charter school's plan and provide comments that will be considered by the commissioner in determining eligibility. In the event that additional information becomes known during the 2016-17 fiscal year that may affect a charter school's eligibility, the affected district and charter school is required to forward such information to the commissioner.

Each charter school is required to submit its capital outlay plan online at https://www.floridaschoolchoice.org/login/login_charter_school.asp. Please use the same login credentials as required for the completion and submission of the charter school annual accountability report.

Specific appropriation 19 of chapter 2016-66, Laws of Florida, provides \$75,000,000 for charter school capital outlay. The allocation methodology was revised by section 14 of chapter 2016-237, Laws of Florida, removing priority funding to schools operating in the 2005-06 fiscal year. Beginning in 2016-17, charter schools will receive a weight of 1.0 per full-time equivalent (FTE) student, with an additional weight for schools that meet one or both of the following criteria:

- 75 percent or more of the school's students are eligible for free or reduced-price lunch.
- 25 percent or more of the school's students are students with disabilities.

Schools that meet only one of the above criteria receive capital outlay funding weighted at 1.25. Schools that meet both of the above criteria receive capital outlay funding weighted at 1.5. Eligible schools that do not meet either of the criteria receive capital outlay funding weighted at 1.0.

Suzanne Pridgeon
Assistant Deputy Commissioner, Finance and Operations

District School Finance Officers
District School Charter School Contacts
Charter School Administrators
July 1, 2016
Page Two

A charter school's qualification for the additional weight associated with free or reduced-price lunch will be determined from October FTE student membership survey (Survey 2) data using each student's free or reduced-priced lunch eligibility status as submitted on the student demographic record for the data element, *Lunch Status*. The eligibility status, as determined from the Survey 2 membership data, will be effective for the entire 2016-17 fiscal year. The eligibility status of a school will not be revised based on results from the February FTE student membership survey (Survey 3).

If a charter school meets all eligibility requirements to qualify for capital outlay funding and does not participate in the National School Lunch Program (NSLP), but wants to qualify for the additional weighted funding for free or reduced-price lunch eligibility, then the charter school must work with its sponsor to develop a method to identify a student's free or reduced-price lunch eligibility status. This information would be submitted on the student demographic record, as if the school participated in the NSLP.

A charter school's qualification for the additional weight associated with having a student population that consists of 25 percent or more students with disabilities will be determined from the charter school's FTE derived from Survey 2. The eligibility status as determined from Survey 2 will be effective for the entire 2016-17 fiscal year. The eligibility status of a school will not be revised based on results from Survey 3.

Charter school sponsors will receive two distributions in August 2016, and a monthly distribution thereafter. Monthly distributions are made via electronic funds transfer occurring on the fourth Thursday of each month, except for November, when the distribution will be on the fourth Wednesday. Distributions will vary, as allocations are recalculated during the fiscal year to reflect revised student enrollment data and charter school eligibility. Sponsoring school districts must distribute the funds to charter schools within 10 working days of receipt, pursuant to section 1002.33(17)(e), F.S.

When a charter school is not renewed or is terminated, the school shall be dissolved under the provisions of law under which it was organized. Any unencumbered public funds from the charter school, except for capital outlay funds and federal Charter School Program (CSP) grant funds, shall revert to the sponsor. Capital outlay funds provided pursuant to section 1013.62, F.S., and CSP grant funds that are unencumbered shall revert to the Florida Department of Education. All equipment and property purchased with public funds shall revert to the sponsor, pursuant to section 1002.33(8)(e), F.S. Additional property ownership arrangements, such as the shared use of facilities or partial ownership of facilities or property, shall be agreed to in the charter contract prior to the expenditure of funds.

If you have questions about the allocation of capital outlay funding, please contact the Fixed Capital Outlay Office at 850-245-9865 or askFCO@fldoe.org. If a charter school does not have login credentials or has other questions concerning the submission of its online capital outlay plan, please contact LaCrest Reed in the Office of K-12 School Choice at 850-245-0502 or LaCrest.Reed@fldoe.org.

SP/mc

Attachment

cc: Adam Miller
Adam Emerson
LaCrest Reed
Maureen Castaño

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 39

Correspondence from GSOTA

Dated March 16, 2017

GreenspoonMarder

From the desk of:
Garry W. O'Donnell, Esq.
Florida Board Certified in Business Litigation
Admitted to Practice in Florida and Ohio
One Boca Place, Suite 400-E
2255 Glades Road
Boca Raton, Florida 33431
Telephone: 561.994.2212
Direct Telephone: 561.939.2215
Direct Facsimile: 561.807.7527
Email: garry.odonnell@gmlaw.com

March 16, 2017

Via Email and U.S. Mail

Angelette Green, Director of Investigations
Office of Inspector General
The School District of Palm Beach County
3318 Forest Hill Boulevard, C-306
West Palm Beach, Florida 33406
Email: angelette.green@palmbeachschools.org

**Re: Office of Inspector General Case # 16-474
Gardens School of Technology Arts, Inc. ("GSOTA")**

Dear Ms. Green:

We are in receipt of Mr. Chiu's March 3, 2017 and draft report. In order for GSOTA to timely submit a written response, we would appreciate your answers to the following questions:

1. At pages 24 and 25 of the draft report, there is a reference to conflict of interest statements and GSOTA's contract with the school board. What are the specific provisions of the "contract with the School Board" referenced at the top of page 25 which pertain to the conflict of interest statements?
2. At page 43 of the draft report, the following comment is made: "GSOTA may have entered into professional service contracts . . . without adhering to the Department of Education Rule and their own internal Procurement Policy." Please identify the specific Department of Education Rule that is referenced and applicable.
3. Page 43 of the draft report contains the statement that: "Since GSOTA receives Federal Funding, GSOTA should utilize a competitive solicitation process for contracted services sought." What is the statute, rule, regulation or other authority for this statement?

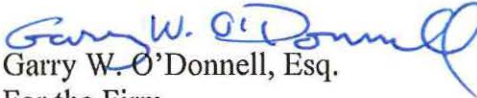
Boca Raton | Denver | Ft. Lauderdale | Las Vegas | Miami | Miami Beach | Naples | Nashville
New York | Orlando | Port St. Lucie | Portland | San Diego | Tallahassee | Tampa | West Palm Beach

In New York, Greenspoon Marder, P.A. practices under the name Greenspoon Marder, P.A. P.C.
In California, Greenspoon Marder LLP practices using the fictitious name and trademark Greenspoon Marder under license from Greenspoon Marder, P.A.

March 16, 2017
Page No. 2

We look forward to your timely answers to GSOTA can finalize and submit its written response to the draft report. For this reason, we hope to hear from you by March 22, 2017. In the event you have any questions or other comments, please feel free to contact Jeanne Benz or me.

Yours very truly,
GREENSPOON MARDER, P.A.


Garry W. O'Donnell, Esq.
For the Firm

GWO:jk

cc: Lung Chiu, Inspector General

Elizabeth McBride, Esq.

Kathleen Schoenberg, Esq.

Debra K. Moore, Board Chair, Gardens School of Technology Arts, Inc.

Dr. Kevin Kovacs, Principal, Gardens School of Technology Arts, Inc.

Jeanne Benz, Director of Operations, Gardens School of Technology Arts, Inc.

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 40

Responses to Questions

Dated March 22, 2017



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA

OFFICE OF INSPECTOR GENERAL
3318 FOREST HILL BLVD., C-306
WEST PALM BEACH, FL 33406
(561) 434-7335 FAX: (561) 434-8652
www.palmbeachschools.org

LUNG CHIU, CIG, CPA
INSPECTOR GENERAL

SCHOOL BOARD
CHUCK SHAW, CHAIRMAN
DEBRA L. ROBINSON M.D., VICE CHAIRWOMAN
MARCIA ANDREWS
FRANK A. BARBIERI, JR., ESQ.
KAREN M. BRILL
BARBARA MCQUINN
ERICA WHITFIELD

ROBERT M. AVOSSA, Ed.D., SUPERINTENDENT

March 22, 2017

Garry W. O'Donnell, Esq
2255 Glades Road
Boca Raton, Florida 33431

Dear Mr. O'Donnell, Esq

Please find the below responses to your questions. As it relates to:

Question #1

We mistakenly listed a contract violation. In light of GSOTA not providing this office with the requested documents and GSOTA having shown in the past that they have awarded contracts to former officers and family members of key employees, this finding will be amended in the final investigative report to state, "Based upon the aforementioned GSOTA may be in violation of their own internal policy and Florida State Statute F.S.S. 112.3143(3)(a). If GSOTA is in possession of its board members execution of the GSOTA conflict of interest statement and/or any voting conflict of interest form required by F.S.S. 112.3143, if there were any, GSOTA should provide this office with a copy of said document as part of GSOTA's response.

Question #2

We mistakenly listed the Department of Education Rule. This section will be amended in the final investigative report to state, "without adhering to the Code of Federal Regulations and their own internal Procurement Policy". I refer you to review the Code of Federal Regulations 34 CFR 74.40—74.48.

Question # 3

I refer you to review the Code of Federal Regulations 34 CFR 74.40—74.48.

Sincerely,

Angelette Green,
OIG Director of Investigations

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 41

GSOTA's Response to Draft Report



Gardens School OF TECHNOLOGY ARTS

Educating Young Innovators for the 21st Century

April 3, 2017

Mr. Lung Chiu, Inspector General
School District of Palm Beach County
3318 Forest Hill Blvd., Suite C-306
West Palm Beach, FL 33406

RECEIVED
APR 03 2017

INSPECTOR GENERAL

Re: Office of Inspector General, Case No. 16-474

Dear Mr. Chiu:

It was a pleasure working with the personnel conducting the investigation and having the opportunity to provide all documents/information requested and answer all questions asked.

The Governing Board, administrators, faculty and staff of Gardens School of Technology Arts work very hard on a daily basis toward accomplishing our charter school's unique educational mission as well as remaining compliant with all applicable laws, rules, and regulations. We have an admirable track record with regard to our compliance, our financial accountability and stability, and our reputation in the community.

We respectfully submit the attached Response to the Preliminary Investigative Report from the Office of Inspector General, School District of Palm Beach County, Case No. 16-474.

Sincerely,

Debra Moore
Governing Board Chair

cc: Angelette Green, Director of Investigations
Elizabeth McBride, Esq.
Garry O' Donnell, Esq.
Kathleen Schoenberg, Esq.

GSOTA Response to OIG Report #16-474

Submitted April 3, 2017

COMPLAINTS

Attorney Denise Sagerholm and Jim Pegg, Charter School Director, reported to the Office of Inspector General that Gardens School of Technology Arts (GSOTA) may have violated the terms of the current charter contract by entering into a 15-year lease agreement. Attorney Sagerholm speculated that there may have been some “questionable business/management relationships” between GSOTA and its landlord. Attorney Sagerholm believed that there may have been conflicts of interest with vendors of the school. Mr. Pegg asserted that GSOTA failed to inform the School District of Palm Beach County (District) of the expansion of its facilities. Attorney Sagerholm reported that capital outlay funds may have been used inappropriately for the facility expansion.

FINDINGS AS TO COMPLAINTS

The Office of Inspector General (OIG) conducted a comprehensive review, which took place over approximately seven months and included a review of well over 1,000 documents over five years, site visits and interviews with GSOTA staff. The OIG concluded that none of the complaints described above were substantiated. The OIG made minor findings which are addressed in this response.

SUMMARY OF AREAS OF REVIEW AND GSOTA RESPONSE

The OIG investigation included a review of the following areas. The results of the investigation of each area are indicated in bold:

1. Academic Accountability. OIG noted consistent school grades and steady increase in enrollment: **NO FINDINGS.**

2. Financial Accountability.

2A. OIG concluded GSOTA did not experience any financial emergencies: **NO FINDINGS.**

2B. OIG concluded that GSOTA accurately reported FTE and verified that revenue received by GSOTA was accurate: **NO FINDINGS.**

2C. OIG concluded that GSOTA used capital outlay funds for statutorily authorized purposes: **NO FINDINGS.** *See Discussion 2C on page 5.*

2D. Expenses related to lease agreement

- a. **FINDING:** GSOTA overpaid utilities by \$53,900.
RESPONSE: (1) GSOTA acknowledges, due to an oversight of the lease language, payments were made totaling \$13,575 (not \$53,900) over the five years of the original lease for phone and trash removal. The landlord has verbally agreed to credit GSOTA for this amount out of future lease payments, and the parties are working towards a lease amendment to reflect this. (2) The remaining \$40,325 represented cleaning services and supplies. These services are not listed as included utilities in the lease, nor was it ever the intent of the parties that the landlord would pay for GSOTA's cleaning needs. A separate verbal agreement for cleaning between the parties was reflected in the monthly billing statements referenced in the OIG report.
- b. **NO FINDINGS.** Report takes no issue regarding payments from GSOTA for architect and engineer consultant agreements related to facility expansion. In fact, the report correctly states that Florida law does not prohibit GSOTA from utilizing capital outlay funding for these purposes.
- c. **NO FINDINGS.** While not drawing any conclusions, the report notes that Jeanne Benz signed checks to the landlord while also being a member of Covenant Centre's "leadership team". This language is not accurate and it is unclear from where this terminology came. Jeanne Benz has no authoritative or decision-making capacity at Covenant Centre and is simply a member of the pastoral team available to members of the congregation in their time of need. Additionally, checks signed by Jeanne Benz to Covenant Centre were those which required two signatures and were made in accordance with the lease.
- d. **NO FINDINGS.** Report lists three missing invoices. Documentation related to these invoices is attached in *Exhibit 1*.

3. Governance Accountability

3A. Governance Board Training. **FINDING:** Governing board members did not strictly adhere to the required mandate. **RESPONSE:** GSOTA has met this requirement. Please see certificates attached as *Exhibit 2*, which rebut this finding in its entirety. Note also that this area was deemed "compliant" in GSOTA's previous mid-year reviews (See, e.g., OIG Report Exhibit 32, page 334, Exhibit 33, page 364).

3B. Governance board member conflict of interest. **FINDING:** Board member Jon Andio provided electrician services to school and was improperly compensated for those services. **RESPONSE:** See Discussion 3B on page 6 which rebuts this finding in its entirety.

3C. Board member conflict of interest statements. **FINDING:** GSOTA may be in violation of its own policy and contract with the School Board. **RESPONSE:** See Discussion 3C on page 7.

3D. Background check screening for board members. **FINDING:** GSOTA did not adhere to the background check requirements for board members. **RESPONSE:** GSOTA has complied with the required background checks. See *Exhibit 3* which rebuts this finding in its entirety.

3E. Fingerprints and background screening for employees. **NO FINDINGS.**

4. Lease analysis comparison

The Report notes that GSOTA is paying below-market rent (page 28). **NO FINDINGS.**

5. Whether GSOTA violated the terms of the contract by entering into a 15-year lease

GSOTA has stated numerous times, both in conversations with School District attorneys and in correspondence, that it has not violated its current charter. It is also worth noting that GSOTA requested that the School District mediate this matter as described in Section 1002.33(5)(h), F.S. **The School District refused to engage in mediation**, yet continued to assert that GSOTA was in violation of its charter.

The OIG did not feel the need to opine on whether there was a violation because the parties will be operating in the future under a renewal contract. **NO FINDINGS.**

6. Relationship between the landlord and GSOTA. **NO FINDINGS. The OIG makes no conclusions or findings that GSOTA has engaged in any activity in violation of Florida law or its charter.** However, since the report dedicates three full pages to this topic, it may lead the reader to infer that there are inappropriate relationships. GSOTA contends this is not the case.

The OIG cites F.S. 1002.33(7)(a)(18) and 1002.33(10) with emphasis on certain language, implying areas of potential violation at GSOTA. However, GSOTA is compliant with all cited statutory requirements. The OIG further details the familial relationships between an employee of the school, a contractor of the school, and the landlord. A close examination of these relationships reveals that they exist within the bounds of both Florida law and the charter contract.

For example, The Children's Academy at Covenant is noted as being incorporated by Judy Benz and Jeanne Benz; however, its existence is irrelevant to the publicly funded operations of GSOTA. In addition, Erik Benz is noted as serving as an officer of the landlord; however, nothing in Florida law prohibits this, as he is neither an employee nor a board member of GSOTA.

The relationship chart on page 36 attempts to make connections between and among individuals. None of the activities of the persons listed on the relationship chart violate Florida law. Any implication that these relationships are improper or conflicted is false.

7. IG reviewed business relationships between GSOTA and professional service providers.

7A. GSOTA contract with Five K Financial. **NO FINDINGS.**

The report states that the “charter school’s system of internal controls is at risk for being circumvented.” GSOTA strongly disputes this statement. The OIG reviewed the school’s contract with Five K Financial, owned by Erik Benz. As described in the OIG report (page 38), Mr. Benz’s role with the school is purely advisory in nature. He has no control over school personnel, no decision-making authority, and no authority to assign or expend funds. He was retained by and reports directly to the board of directors, and his advice as a founder of the school is valuable to the board. Florida’s charter school statute which addresses the employment of relatives has no bearing on the fact that his spouse serves as the Director of Operations. Additionally, Erik Benz’s and Jeanne Benz’s respective responsibilities do not allow for nor facilitate a circumvention of internal controls.

The report highlights six (6) checks signed by Jeanne Benz to Five K Financial but erroneously states that she was Director of Operations at the time (she was not, in 2012). For five (5) of those checks Jeanne Benz was the second signor, and the checks were for regular payments per the board-approved contract. The final check was a \$178 reimbursement (with receipt and paid out of the basketball club account) for sports supplies when Erik Benz was a volunteer coach and basketball club leader.

The OIG makes no conclusions or findings that GSOTA’s relationship with Mr. Benz violates applicable law or the charter contract, and properly so, as this is not a violation of any applicable law or the school’s charter contract.

7B. School contract with Matthew Roncace, CPA. **NO FINDINGS.**

The OIG mentions that Mr. Roncace was the director of a Florida Corporation where Erik Benz was also a director. As this corporation has nothing to do with the school and was dissolved twelve years ago, the relevance is lost on GSOTA. **The OIG makes no conclusions or findings that GSOTA has engaged in any activity in violation of applicable law or its charter, and properly so.**

7C. The Children’s Academy at Covenant. **NO FINDINGS.**

The report inaccurately states that The Children’s Academy (TCA) “provided pre-school services to GSOTA students for the first three years of GSOTA”. TCA provided no services for GSOTA the first year (SY12). The second year (SY13), TCA staff provided afterschool care services to GSOTA students ages 5-9, and TCA was compensated by GSOTA for the direct cost of staff only and solely out of parent-paid aftercare fees to GSOTA. No public funds were used to pay for aftercare services and as such are not subject to review by the OIG. TCA was closed in June 2013. **The OIG makes no conclusions or findings that GSOTA has engaged in any activity in violation of applicable law or its charter, and properly so.**

7D. OIG notes GSOTA governing board actions and activities June 29, 2011. **FINDING:** GSOTA *may* have entered into professional service contracts with various vendors without adhering to the Code of Federal Regulation and their own internal procurement policy (page 44, see Exhibit 36).

The sections of the Code of Federal Regulations cited by the OIG have no bearing on purchases/contracts of GSOTA other than those funded with CSP grant funds. Charter schools are not otherwise required to follow federal procurement procedures. GSOTA, as a CSP Grant recipient, followed all required procurement protocols for items purchased with CSP Grant funds. As described more specifically below, GSOTA did, in fact, follow its own internal procurement policy. See *Discussion 7D on page 7.*

8. School Expansion

8A. School site visit. **NO FINDINGS.** In fact, report states, “School expansion appears to be justifiable. Florida Statute 1013.62(3) Charter Schools Capital Outlay Funding does not prohibit GSOTA from utilizing capital outlay funding for the expansion” (page 46).

8B. Whether GSOTA notified the District regarding the proposed school expansion. **FINDING:** GSOTA did notify the District by addressing facility needs in multiple capital outlay applications which were acknowledged by the District. **RESPONSE:** See *Discussion 8B on page 8.*

9. A review of fees GSOTA charges to students. **NO FINDINGS.** The report recommends that GSOTA may want to include clear language associated with student fees and the parent’s ability to pay. **RESPONSE:** GSOTA has added clarifying language on its website per the OIG recommendation.

DISCUSSION

Section 2C. Capital outlay funds.

The report states that a review of GSOTA’s charter school capital outlay applications for the last three years indicates that GSOTA intended to use the capital outlay for statutorily authorized purposes (page 15). As part of its investigation, the OIG inquired of the District’s Charter School Department as to whether the District received capital outlay plans from GSOTA. They were advised by the Charter School Department that it does not have records from GSOTA for capital outlay plans or related expenditures (page 17).

Despite the Charter School Department’s response that they had no capital outlay plans from GSOTA, the process for applying for capital outlay requires a District to approve a charter school’s capital outlay plan before it is then sent by the District to the Florida Department of

Education for processing. GSOTA's capital outlay plans were, in fact, acknowledged by District employees Ariel Alejo and Miriam Williams (page 16).

Finally, the report states that from "the OIG's observation the School has taken over the majority of the Church's available space. With continued student growth and increased enrollment, the School expansion appears to be justifiable. Florida Statute 1013.62 (3) Charter Schools Capital Outlay Funding does not prohibit GSOTA from utilizing capital outlay funding for the expansion" (page 46, emphasis added). **This is not a violation of any applicable law or the school's charter contract.**

Section 3B. Board member conflict of interest.

The Report states that board member Jon Andio provided electrician services to the school and was improperly compensated for those services.

Section 1002.33 (26), F.S. address standards of conduct for governing board members:

(26) STANDARDS OF CONDUCT AND FINANCIAL DISCLOSURE.

(a) A member of a governing board of a charter school, including a charter school operated by a private entity, is subject to ss. 112.313(2), (3), (7), and (12) and 112.3143(3).

Section 112.313 (12), F.S. provides exceptions to the conflict of interest provisions contained in subsections (3) and (7) (emphasis added).

(12) EXEMPTION. The requirements of subsections (3) and (7) as they pertain to persons serving on advisory boards may be waived in a particular instance by the body which appointed the person to the advisory board ... In addition, no person shall be held in violation of subsection (3) or subsection (7) if:

(f) The total amount of the transactions in the aggregate between the business entity and the agency does not exceed \$500 per calendar year.

Mr. Andio's business was paid \$356.96 in 2015 for parts and labor for one employee and \$364.49 in 2016 for parts only. Mr. Andio never received any personal compensation for the services performed. Of greater import is the fact that both payments fall under the \$500 threshold established by Florida law. GSOTA's charter requires the school to comply with all applicable laws. Section 1002.33 (26), F.S. specifically incorporates Section 112.313(12), F.S. Therefore, the exemption described above applies to GSOTA, and consequently GSOTA complies with applicable law and its charter.

The school's charter states that governing board members shall not receive compensation from the School's operations, which language prohibits board members from receiving compensation for their service as a board member. Mr. Andio has never been compensated in exchange for his work as a volunteer board member.

Mr. Andio's activities did not violate either state law or the charter contract.

Section 3C. Board member conflict of interest statements.

The report states that GSOTA *may* be in violation of their own internal policy and Section 112.3143(3)(a), F.S. (page 25). GSOTA's conflict of interest policy states that each governing board member will sign the School's conflict of interest statement. While GSOTA cannot demonstrate strict adherence to this policy, board members have all completed governance training which includes an in-depth discussion on conflicts of interest and ethics. All board members are expected to follow the relevant statutes on this topic, and would likely be removed from the board seat if they were found to violate its requirements.

Neither Florida law nor the charter contract require GSOTA board members to sign a conflict of interest statement. Accordingly, last year GSOTA modified its conflict of interest policy so that it is more in line with state law. Please see current policy attached as *Exhibit 4*.

In addition, the OIG states that GSOTA may be in violation of Section 112.3143(3)(a), F.S.. This statute addressed voting conflicts, and requires a board member to make a disclosure to the board in the event that he or she must abstain from a particular vote due to a special private gain or loss as a result of the vote. This statute cited by the OIG bears no relevance to whether board members submitted annual conflict of interest statements.

Section 7D. Governing Board Meeting Actions and Activities: June 29, 2011.

In this section of the report, the OIG reviewed various GSOTA governing board actions and activities on June 29, 2011. This meeting was held prior to the start of the first year and school and prior to the start of the term of the charter contract. The OIG seems critical of the fact that at this meeting, founders Erik Benz and Shane Vander Kooi resigned from their board seats. However, it is very common for founders of charter schools to serve on the board until the time when they leave the board to take on other roles at the charter school. Often founders of charter schools are the personnel who run the schools, especially in the early years.

In addition, the OIG points out Erik Benz and Shane Vander Kooi abstained from some of the votes. While the report seems to imply this as a criticism, an abstention from a vote is exactly what a board member should do should a voting conflict arise under Section 112.3143 (3), F.S. While seeming to criticize the board members' actions, **the OIG makes no conclusions or findings that GSOTA has engaged in any activity in violation of applicable law or its charter, and properly so, as this is not a violation of any applicable law or the school's charter contract.**

The OIG criticizes GSOTA for entering into professional service contracts with vendors without adhering to the Code of Federal Regulations and the school's own procurement policy, stating "Since GSOTA receives federal funding, GSOTA should utilize a competitive solicitation process for contracted services sought" (page 44, see Exhibit 36).

The sections of the Code of Federal Regulations cited by the OIG have bearing only on purchases made or contracts funded *with federal grant dollars*. The code cited by OIG is addressed in the following from Title V, Part B of the ESEA Nonregulatory Guidance, page 25:

G-3. What procedures must CSP grantees follow when purchasing equipment or services?

When using Federal funds to purchase equipment or services, a charter school must comply with the procurement standards set forth in the Department's regulations at 34 CFR 74.40-74.48.

The procurement policy adopted by GSOTA in 2010 was intended to guide the use of funds received under the Charter School Program Grant, and a review of the minutes from the June 29, 2011 board meeting reflects this fact (see OIG Report Exhibit 21, page 258, third page of meeting minutes). GSOTA, as a CSP Grant recipient, followed all required procurement protocol for items purchased with CSP Grant funds and can demonstrate that the procurement policy was followed for purchases such as classroom furniture (\$4,843), computers (\$14,820), interactive whiteboards (\$11,080), all of which were purchased with CSP Grant funding. Since charter schools generally are not subject to competitive bidding requirements, there would be no reason for the school to adopt a policy applicable to all purchases.

As to the OIG's finding that contracts were entered into without the school following its own internal procurement policy, the contracts referenced were not funded by the CSP grant. As already established, the procurement policy was not intended to apply to other contracts or purchases, as charter schools are not otherwise required to follow federal procurement procedures.

Section 8B. GSOTA notified the School District regarding proposed school expansion.

One of the complaints which triggered this investigation is the assertion by Jim Pegg that GSOTA failed to notify the School District of its plans to expand its facilities. According to Mr. Pegg, he learned of the proposed expansion of the facility during a visit to the school on February 9, 2016, when he was there to conduct a program review related to the school's renewal (OIG Report page 47). As stated on the Program Renewal Review document itself, the purpose of the review was to determine whether GSOTA was compliant with the existing charter provisions (see OIG Report Exhibit 32, page 317). At no time during this meeting did Mr. Pegg raise a concern about notification of the expansion. In fact, GSOTA's renewal was approved by the School Board on March 2, 2016, less than one month later. A review of the Program Renewal Review Summary indicates that GSOTA's facilities "meets" the School District's standard.

If Mr. Pegg believed GSOTA was in violation of its charter, it seems that this would have been the time to raise the issue. The parties began negotiations of the renewal charter on April 14, 2016 and held a series of meetings in person and on the telephone over the next four months. The school's expansion plans were the subject of several discussions. At no time did Mr. Pegg

assert that GSOTA was in violation of its charter for failing to notify the School District of its planned expansion.

In its report the OIG found that board minutes reflected discussion of the school's facility expansion going back to 2012 (page 47, see OIG Report Exhibits 25, 26, 27 and 28 beginning on page 281). GSOTA regularly submits its board minutes to the District Charter School Department for review. In addition, GSOTA submitted capital outlay plans which were acknowledged by School District personnel (page 48).

Mr. Pegg determined that GSOTA was in compliance with its charter when the School Board voted on GSOTA's renewal and did not raise this issue over four months of charter negotiations; it seems disingenuous that Mr. Pegg would now make this the subject of an OIG investigation. Regardless of the School District's claims to the contrary, **the OIG found that GSOTA did notify the School District by addressing facility needs in multiple capital outlay applications which were acknowledged by the School District (page 48).**

CONCLUSION

GSOTA fully cooperated with the OIG at all times during this investigation (OIG Report page 53). The end result of this investigation is the following:

1. The OIG found that none of the complaints which triggered this investigation were substantiated.
2. GSOTA inadvertently overpaid its landlord for utilities in the amount of \$13,500 over five years. The parties are in the process of negotiating a lease amendment whereby these amounts would be credited to GSOTA.
3. GSOTA has added clarifying language on its website regarding fees charged to parents.

LIST OF EXHIBITS

1. Invoices
2. Governance training certificates of completion
3. Evidence of background screening
4. GSOTA current conflict of interest policy

EXHIBIT 1

Item 1.	06/05/2014	\$14,350.00	Inv 942	Check #2149
Item 2.	06/01/2015	\$3,120.00	Inv 1042	Check #11167
Item 3.	08/24/2016	\$5,861.30	Inv 11597	Check #7269

Item 1.

6
C

2147

BROT
FOR'D

DATE 5/30/14
TO Always Jump for Joy

DEPOSITS

FOR	K-S Field Day	TOTAL	
	Inv # 1741	THIS CHECK	380 -
		OTHER	
TAX DEDUCTIBLE		BALANCE	

2148

DATE 6-5-14
TO CCI

DEPOSITS

FOR	re: Deleon Construction for parking area.	TOTAL	
		THIS CHECK	14350 00
		OTHER	
TAX DEDUCTIBLE		BALANCE	

2149

DATE 6-5-14
TO CCI

DEPOSITS

FOR	re: Deleon Construction parking re. inv. 942.	TOTAL	
		THIS CHECK	14350 00
		OTHER	
TAX DEDUCTIBLE		BALANCE	

0052 ALADPH check1 01/21/10 10:55

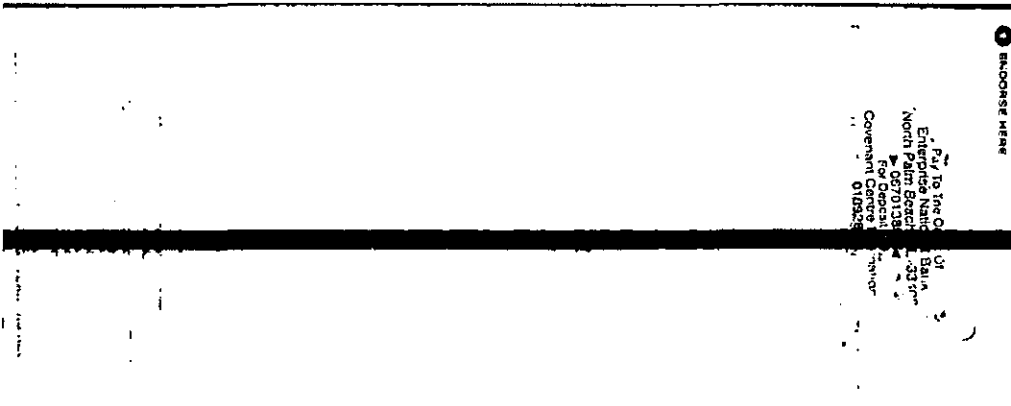
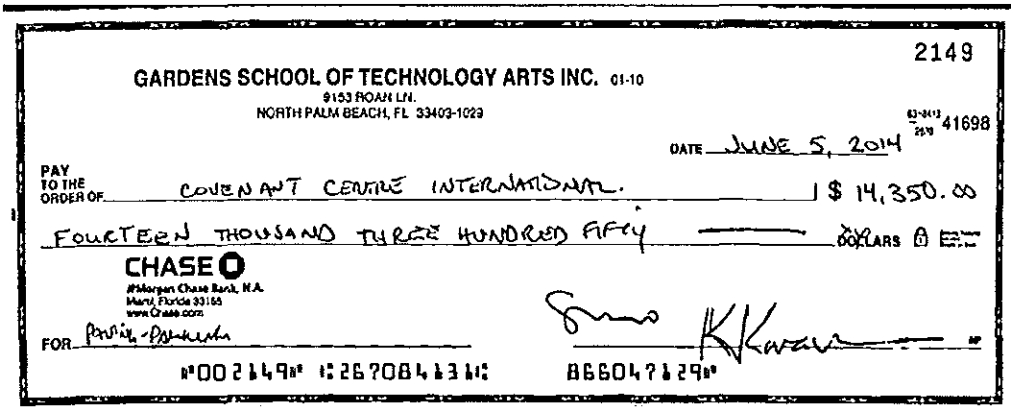
Chase Online

Thursday, February 02, 2017

Check Details for Check Number 2149

Post Date	Amount	Account number	Routing number
06/09/2014	\$14,350.00	866047129	267084131

Check Images (Front and Back)



This information is provided for your convenience and does not replace your monthly account statement(s), which are the official records of your accounts and does not replace any other notice we send you.
JPMorgan Chase Bank, N.A. Member FDIC

© 2017 JPMorgan Chase & Co.

Item 2.

Invoice



Date 6/1/2015
Invoice # 1042

Covenant Centre
International
9153 Roan Lane
Palm Beach Gardens,
FL 33403
Phone 561-627-8138

TO Gardens School of
Technology Arts, Inc.
9153 Roan Lane
Palm Beach Gardens,
FL 33403
Phone 561-790-2661

Salesperson	Job	Payment Terms	Due Date
		Due on receipt	

Qty	Description	Unit Price	Line Total
1	Wall Repairs for interior Hallways (Labor and Product)	650	650
1	Installation of Video Surveillance System Running 1500 ft. of cable. Mounting 16 cameras.	900	900
1	Garbage Cleanup and Facility Maintenance	400	400
1	Air Conditioning Repairs	670	670
1	Repairs to Courtyard, Sod Installation, Irrigation	500	500

Subtotal	\$3,120
Sales Tax	0
Total	\$ 3,120

Make all checks payable to Covenant Centre, Inc.

Thank you for your business!

Gardens School of Technology Arts, Inc.
Covenant Centre, Inc.

06/01/2015

011167

3,120.00

Chase Bank - operatin Invoice 1042

3,120.00

Item 3.

Invoice



Date 08/23/2016
Invoice # 11597

Covenant Centre
International
9153 Roan Lane
Palm Beach Gardens,
FL 33403
Phone 561-627-8138

TO Gardens School of
Technology Arts, Inc
9153 Roan Lane
Palm Beach Gardens,
FL 33403
Phone 561-790-2661

Salesperson	Job	Payment Terms	Due Date
		Due on receipt	

Qty	Description	Unit Price	Line Total
	Facility Renovations for New School Year		
	Painting		422.30
	Furniture Assembly and classroom transitioning		475
	Hanging Bulletin Boards and White Boards		80
	Land Clearing for PE and Recess Spaces and School Readiness		320
	Classroom lighting improvements for Health Department requests and Electrical work for Repairs		2489
	Survey Work for new classrooms		2075

Subtotal	\$5861.30
Sales Tax	0
Total	5861.30

Make all checks payable to Covenant Centre, Inc.
Thank you for your business!

Gardens School of Technology Arts, Inc.

Covenant Centre, Inc.

007269

08/24/2016

977.30

4,884.00

Chase Bank - internal Invoice 11597

5,861.30

EXHIBIT 2

Kathleen W. Schoenberg, P.A.
Charter School Governance Training

Certificate of Participation

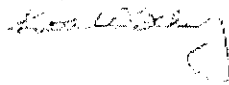
is hereby granted to:

Dave Menkhaus

Gardens School of Technology Arts

for successful completion of the FL 4-Hour Training
approved by the Florida Department of Education

Date of Completion: August 22, 2011



Kathleen W. Schoenberg, Esq.

*Kathleen W. Schoenberg, P.A.
Charter School Governance Training*

Certificate of Participation

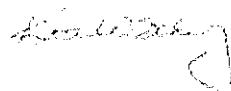
is hereby granted to:

Misi Stonecipher

Gardens School of Technology Arts

for successful completion of the FL 4-Hour Training
approved by the Florida Department of Education

Date of Completion: August 19, 2011



Kathleen W. Schoenberg, Esq.

Kathleen W. Schoenberg, P.A.
Charter School Governance Training

Certificate of Participation

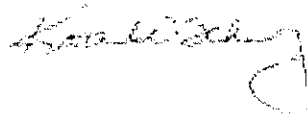
is hereby granted to:

Lori Alfrey

Gardens School of Technology Arts

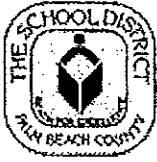
for successful completion of the FL 4-Hour Training
approved by the Florida Department of Education

Date of Completion: December 25, 2012



Kathleen W. Schoenberg, Esq.

EXHIBIT 3



THE SCHOOL DISTRICT OF PALM BEACH COUNTY

Charter School Employment Authorization

The purpose of this form is to authorize employment at a **charter school**. To apply for a position at a **charter school** complete and sign this authorization. Follow the directions as specified below. Incomplete forms will not be processed.

- Directions:**
1. New hires should route this form through the steps below.
 2. After all signatures in all three steps have been obtained, the completed form **MUST** be returned to the School Principal.

DOB 4/27/55

Charter School GARDENS SCHOOL OF TECHNOLOGY		Applicant Start Date 6/29/2011
Applicant Name (last, first, middle initial) MENKHAUS, DAVID J	Soc. Sec. # (last four digits only) ██████ - ██████ - 1906	Applicant Telephone (561) 984-6994
Applicant Address (street name and number, apt. #, city, state, zip code) 13124 Silver Fox WPRB, FL 33418	E-mail Address dmenkhaus@aol.com	
Subject / Position / Grade Level BOARD MEMBER	Type of Position (check one only) <input type="checkbox"/> Instructional <input checked="" type="checkbox"/> Non-instructional	

[Signature] 7/20/11
Signature of Applicant Date

[Signature] 7.16.2011
Signature of Charter School Principal Date

STEP 1 - SCHOOL POLICE SECTION (To be completed by School Police only) Suite B-101

Must present valid driver's license and social security card - Fee \$85 payable by money order only to PBCSDPD (non-refundable).

PROCESSED BY SCHOOL POLICE DEPT. DATE: 7/21/11 *[Signature]* Signature of School Police Representative

PROCESSED BY SCHOOL POLICE DEPT. DATE: 7/21/11 *[Signature]* Date

STEP 2 - CERTIFICATION OFFICE SECTION (To be completed by Certification Office only) Suite A-152

N/A DOE # _____ Validity _____ Certification Type _____
Eligible? Yes No Subject(s) of Certification/ Eligibility _____

REQUIRES OUT OF FIELD APPROVAL

Notes _____

Completed By _____
Signature of Certification Representative Date

STEP 3 - CHARTER SCHOOL DEPARTMENT SECTION (To be completed by Charter School Department only), IBIS Building "E"

Received By *[Signature]* 7-21-11
Signature of Charter School Representative Date



THE SCHOOL DISTRICT OF PALM BEACH COUNTY

Charter School Employment Authorization

The purpose of this form is to authorize employment at a charter school. To apply for a position at a charter school complete and sign this authorization. Follow the directions as specified below. Incomplete forms will not be processed.

- Directions:**
1. New hires should route this form through the steps below.
 2. After all signatures in all three steps have been obtained, the completed form MUST be returned to the School Principal.

DOB 6-29-70

Charter School Gardens School of Technology Arts		Applicant Start Date 6/29/11
Applicant Name (last, first, middle initial) Stonecypher Melissa D	Soc. Sec. # (last four digits only) 594 21 - 4108	Applicant Telephone (561) 531-0582
Applicant Address (street name and number, apt. #, city, state, zip code) 120 Hampton Cir. Jupiter 33458	E-mail Address mstonecypher@gmail.com	
Subject / Position / Grade Level BOARD MEMBER	Type of Position (check one only) <input type="checkbox"/> Instructional <input checked="" type="checkbox"/> Non-Instructional	

Signature of Applicant: [Signature] Date: 7/19/11
 Signature of Charter School Principal: [Signature] Date: 7-16-2011

STEP 1 - SCHOOL POLICE SECTION (To be completed by School Police only) Suite B-101

Must present valid driver's license and social security card. Fee \$85 payable by money order only to PBCSDPD (non-refundable).

PROCESSED BY SCHOOL POLICE DEPT.
 Date Fingerprinted: 7/19/11
 Signature of School Police Representative: [Signature] Date: 7/19/11

STEP 2 - CERTIFICATION OFFICE SECTION (To be completed by Certification Office only) Suite A-152

DOE # _____ Validity _____ Certification Type _____
 Eligible? Yes No Subject(s) of Certification/ Eligibility _____

REQUIRES OUT OF FIELD APPROVAL

Notes _____

Completed By _____
 Signature of Certification Representative _____ Date _____

STEP 3 - CHARTER SCHOOL DEPARTMENT SECTION (To be completed by Charter School Department only), IBIS Building "E"

Received By [Signature] Date 7-19-11
 Signature of Charter School Representative _____ Date _____



THE SCHOOL DISTRICT OF PALM BEACH COUNTY

Charter School Authorization for

Employee Contracted Services Board Member Vendor

The purpose of this form is to authorize employment and/or services at a **charter school**. Follow the directions as specified below to complete this form. Incomplete forms will not be processed.

- Directions:**
1. Route this form through the steps below.
 2. After all signatures in all three steps have been obtained, the completed form **MUST** be returned to the School Principal.

School # 3961	Charter School Gardens School of Tech Arts	DOB 4/14/60	Applicant Start Date 10/3/12
Applicant Name (last, first, middle initial) Busch, Lori S.		Soc. Sec. # (last four digits only) -9818	Applicant Telephone (561) 379-9475
Applicant Address (street name and number, apt. #, city, state, zip code) 254 Edenberry Avenue Jupiter, FL		E-mail Address LoriSAlfrey@aol.com	
Subject / Position / Grade Level Board Member		33458	Type of Position (check one only) <input type="checkbox"/> Instructional <input checked="" type="checkbox"/> Non-instructional

Signature of Applicant: Lori S. Busch Date: 10/8/12
 Signature of Charter School Principal: [Signature] Date: 10/3/12

STEP 1 - SCHOOL POLICE SECTION (To be completed by School Police only) Suite B-101

Must present valid driver's license and social security card - Fee \$99 payable by money order only to PBCSDPD (non-refundable).

PROCESSED BY
SCHOOL POLICE DEPT.

Date Fingerprinted: DATE: 10/24/12 [Signature] Date: 10/24/12
Signature of School Police Representative

STEP 2 - CERTIFICATION OFFICE SECTION (To be completed by Certification Analyst) Suite A-152

DOE # _____ Validity _____ Type of Certification _____

Subject(s) of Certification/ Eligibility _____

Eligible for hire: Yes No Reason(s) for denial: Certification HQ

Requires out-of-field approval: Yes No Requires not HQ approval: Yes No

Notes _____

Verified by _____
Signature of Certification Representative Date _____

STEP 3 - CHARTER SCHOOL DEPARTMENT SECTION (To be completed by Charter School Department only), IBIS Building "E"

Received By: [Signature] Date: 10/24/2012
Signature of Charter School Representative

EXHIBIT 4

**GARDENS SCHOOL OF TECHNOLOGY ARTS, INC.
POLICY ON CONFLICTS OF INTEREST**

 11/14/16

1. Purpose. The purpose of this policy is to protect the corporation's interest to ensure that no officer or director has a conflict of interest with Gardens School of Technology Arts, Inc. ("School"). This provision is intended to supplement but not replace any applicable state or federal laws governing conflicts of interest applicable to non-profit and charitable organizations.

2. Definitions.

(a) "Material Interest" shall mean direct or indirect ownership of more than five percent of the total assets or capital stock of any business entity.

(b) "Conflict" shall mean a situation in which regard for a private interest tends to lead to disregard of a public duty or interest.

3. Prohibited Transactions and Relationships.

(a) A board member may not purchase, rent or lease any realty, goods or services for the School from a business of which of board member (or the board member's spouse or child) is an officer, partner, director, proprietor or owner of a material interest.

(b) No board member may hold any employment or contractual relationship (written or unwritten) with the School. No board member may hold any employment or contractual relationship with any business entity which is doing business with the School. No board member may hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties or that would impede the full and faithful discharge of his or her public duties.

(c) An employee of the School, or his or her spouse, may not be a member of the board of directors.

4. Voting Conflicts:

(a) For the purposes of this subsection (4) only, the term "relative" shall be defined to mean any father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law.

(b) A board member shall not vote on any measure which would inure to the board member's special private gain or loss (or to the special private gain of (1) an organization by which the board member is retained or (2) a relative or (3) a business associate).

(c) Voting conflicts must be disclosed in a written memorandum and filed with the person responsible for recording the minutes prior to the meeting. Such memorandum shall be read publicly at the board meeting, incorporated into the minutes and shall be considered a public record.

(d) If a voting conflict arises at a board meeting, the disclosure shall be oral followed up by a written memorandum within fifteen days.

**GARDENS SCHOOL OF TECHNOLOGY ARTS, INC.
POLICY ON CONFLICTS OF INTEREST**

5. Exceptions and Duty to Disclose.

(a) No board member shall be in violation of this policy if one or more of the exceptions described in §112.313 (12), F.S. are met (see Exhibit 1).

(b) In connection with any actual or possible conflict of interest with the School, the interested board member must disclose the possible or actual conflict of interest to the board of directors. The board of directors shall then determine whether a conflict of interest exists and/or whether one of the exceptions listed in section 5(a) above is met.

6. Violation of this Provision: If a board member has reasonable cause to believe another board member has failed to disclose actual or possible conflicts of interest, he or she shall inform the member of the basis for the belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board determines that the member has failed to disclose an actual or possible conflict of interest, it shall be grounds for removal.

7. Records of Proceedings: The minutes of the board and all committees with board delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the board's decision as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

8. Periodic Reviews: To ensure the School operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews may be conducted. The periodic reviews may, at a minimum, including the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

(b) Whether partnerships, joint ventures and any arrangements with management organizations conform to the School's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

**GARDENS SCHOOL OF TECHNOLOGY ARTS, INC.
POLICY ON CONFLICTS OF INTEREST
EXHIBIT 1**

Statutory Exemptions

F.S. 112.313(12) EXEMPTION.--The requirements of subsections (3) and (7) of F.S. 112.313 as they pertain to persons serving on advisory boards may be waived in a particular instance by the body which appointed the person to the advisory board, upon a full disclosure of the transaction or relationship to the appointing body prior to the waiver and an affirmative vote in favor of waiver by two-thirds vote of that body. In instances in which appointment to the advisory board is made by an individual, waiver may be effected, after public hearing, by a determination by the appointing person and full disclosure of the transaction or relationship by the appointee to the appointing person.

In addition, no person shall be held in violation of subsection (3) or subsection (7) if:

- (a) Within a city or county the business is transacted under a rotation system whereby the business transactions are rotated among all qualified suppliers of the goods or services within the city or county.
- (b) The business is awarded under a system of sealed, competitive bidding to the lowest or best bidder and:
 - 1. The official or the official's spouse or child has in no way participated in the determination of the bid specifications or the determination of the lowest or best bidder;
 - 2. The official or the official's spouse or child has in no way used or attempted to use the official's influence to persuade the agency or any personnel thereof to enter such a contract other than by the mere submission of the bid; and
 - 3. The official, prior to or at the time of the submission of the bid, has filed a statement with the Commission on Ethics, if the official is a state officer or employee, or with the supervisor of elections of the county in which the agency has its principal office, if the official is an officer or employee of a political subdivision, disclosing the official's interest, or the interest of the official's spouse or child, and the nature of the intended business.
- (c) The purchase or sale is for legal advertising in a newspaper, for any utilities service, or for passage on a common carrier.
- (d) An emergency purchase or contract which would otherwise violate a provision of subsection (3) or subsection (7) must be made in order to protect the health, safety, or welfare of the citizens of the state or any political subdivision thereof.
- (e) The business entity involved is the only source of supply within the political subdivision of the officer or employee and there is full disclosure by the officer or employee of his or her interest in the business entity to the governing body of the political subdivision prior to the purchase, rental, sale, leasing, or other business being transacted.
- (f) The total amount of the transactions in the aggregate between the business entity and the agency does not exceed \$500 per calendar year.

**GARDENS SCHOOL OF TECHNOLOGY ARTS, INC.
POLICY ON CONFLICTS OF INTEREST**

(g) The fact that a county or municipal officer or member of a public board or body, including a district school officer or an officer of any district within a county, is a stockholder, officer, or director of a bank will not bar such bank from qualifying as a depository of funds coming under the jurisdiction of any such public board or body, provided it appears in the records of the agency that the governing body of the agency has determined that such officer or member of a public board or body has not favored such bank over other qualified banks.

(h) The transaction is made pursuant to s. 1004.22 or s. 1004.23 and is specifically approved by the president and the chair of the university board of trustees. The chair of the university board of trustees shall submit to the Governor and the Legislature by March 1 of each year a report of the transactions approved pursuant to this paragraph during the preceding year.

(i) The public officer or employee purchases in a private capacity goods or services, at a price and upon terms available to similarly situated members of the general public, from a business entity which is doing business with his or her agency.

(j) The public officer or employee in a private capacity purchases goods or services from a business entity which is subject to the regulation of his or her agency and:

1. The price and terms of the transaction are available to similarly situated members of the general public; and

2. The officer or employee makes full disclosure of the relationship to the agency head or governing body prior to the transaction.

Case # 16-474

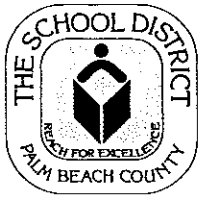
Gardens School of Technology Arts, Inc.

Exhibit # 42

Memorandum to Chief of Police

Dated April 5, 2017

Subject: Confirmation of Background
Checks for GSOTA Governing Board
Members



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA

OFFICE OF INSPECTOR GENERAL
3318 FOREST HILL BLVD., C-306.
WEST PALM BEACH, FL 33406
(561) 434-7335 FAX: (561) 434-8652
www.palmbeachschools.org

LUNG CHIU, CIG, CPA
INSPECTOR GENERAL

SCHOOL BOARD
CHUCK SHAW, CHAIRMAN
DEBRA ROBINSON, M.D., VICE CHAIRWOMAN
MARCIA ANDREWS
FRANK A. BARBIERI, JR., ESQ.
KAREN M. BRILL
BARBARA McQUINN
ERICA WHITFIELD

ROBERT M. AVOSSA, Ed.D., SUPERINTENDENT

MEMORANDUM

TO: Chief Lawrence Leon

FROM: Lung Chiu, ^{KLC} Inspector General

DATE: April 5, 2017

SUBJECT: Confirmation of Background Checks for GSOTA Governing Board Members
OIG Case # 16-474
Gardens School of Technology Arts (GSOTA)

On October 28, 2016 and on February 1, 2017, your office provided us with information related to the following GSOTA Governing Board Members background check:

- **Lori S. Busch**
- **David J. Menkhaus**
- **Melissa D. Stonecipher**

The information received from your office indicated that the above three Board Members were not Level II Background screened and that School Police had no fingerprints on file for the individuals. As a result, the information you provided was the primary basis for one of our findings in the above OIG preliminary investigative report. Please see attachment # 1 and # 2.

On April 4, 2017, the Gardens School of Technology Arts (GSOTA) provided us with supplemental information related to the above three Governing Board Members background screening. The information received are PBSO 2177 Charter School Employment Authorization Forms for the Board Members. The forms indicate that their Board Members were fingerprinted and background screened by staff in School Police. Please see attachment #3, #4, and #5.

As we are in the process of finalizing the investigative report for release, please have staff to reexamine your current records again to confirm whether the aforementioned Governing Board Members were Level II Background Screened. Please provide us with the information by April 12, 2017.

Thank you for your continued support.

Cc: Angelette Green, Director of Investigations
Patrick McCutcheon, School Police Assistant Chief

Level II

16-444

III.9

1
#

Gardens School of Technology Board Members				
Name	Position	Term	Employee ID	Level II Background Yes or No
Alfrey, Lori	Member	2012 - 2014		
Andio, Jon	Member	2014 - present		yes
Cole, Lisa	Secretary	2011 - present		yes
Culp, David	Member	2016 - (2 months)		yes Not For Board Member
Farley, Christine	Member	2014 - present		yes
Hoening, Gerald	Treasurer	2014 - present		yes
* Menkhaus, David	Treasurer	2011 - 2014		NO
Moore, Carla	Member	2014 (4 months)		yes
Moore, Debra	Chair	2011 - present		yes
Reyes, Dave	Vice Chair	2011 - present		yes
* Stonecipher, Misi	Member	2011 - 2012		NO

Info from School Police

10/28/2016 - Pat Coolihan



OFFICE OF INSPECTOR GENERAL

ACKNOWLEDGMENT OF RECEIPT

Date: 1/30/2017

#2

I hereby acknowledge the receipt of the following documents related to OIG Case # 16-474

1. Referral to Department/Agency: School Police
2. Investigative Report done by the OIG
3. Preliminary Investigation done by the OIG
4. Audit related to Lori Alfrey/ Lori Bush


Signature of Department Representative

2/1/17
Date Received

Assistant Chief McCutcheon

As part of an ongoing investigation, please provide us with whether the listed individual has been Level II cleared as a vendor by the District as required per Florida State Statutes and Jessica Lunsford Act. Please provide last fingerprint date and if the subject is in compliance.

Thanking you in advance. If you have any questions please do not hesitate to contact me.

Angelette

No fingerprints on file.

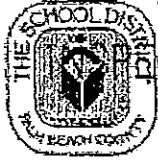
*This receipt is to be retained by the OIG and placed with the designated Case File

RECEIVED

APR 03 2017

THE SCHOOL DISTRICT OF PALM BEACH COUNTY

From! Gardens School of Technology



DIRECTOR GENERAL Charter School Authorization for

Employee Contracted Services Board Member Vendor

The purpose of this form is to authorize employment and/or services at a charter school. Follow the directions as specified below to complete this form. Incomplete forms will not be processed.

- Directions: 1. Route this form through the steps below. 2. After all signatures in all three steps have been obtained, the completed form MUST be returned to the School Principal.

Form with fields: School # (39601), Charter School (Gardens School of Tech Arts), Applicant Start Date (10/3/12), Applicant Name (Busch, Lori S.), Soc. Sec. # (9818), Applicant Telephone (561) 379-9475, Applicant Address (254 Edenberry Avenue Jupiter, FL), E-mail Address (LoriSAlfrey@aol.com), Subject / Position / Grade Level (Board Member), Type of Position (Non-instructional).

Signatures and dates for Applicant (Lori S. Busch, 10/8/12) and Charter School Principal (10/3/12).

STEP 1 - SCHOOL POLICE SECTION (To be completed by School Police only) Suite B-101

Must present valid driver's license and social security card - Fee \$99 payable by money order only to PBCSDPD (non-refundable).

PROCESSED BY SCHOOL POLICE DEPT. Date Fingerprinted: 10/24/12. Signature of School Police Representative and Date: 10/24/12.

STEP 2 - CERTIFICATION OFFICE SECTION (To be completed by Certification Analyst) Suite A-152

Form with fields: DOE #, Validity, Type of Certification, Subject(s) of Certification/ Eligibility, Eligible for hire, Reason(s) for denial, Requires out-of-field approval, Requires not HQ approval, Notes, Verified by, Signature of Certification Representative, Date.

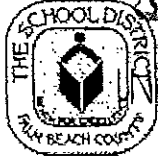
STEP 3 - CHARTER SCHOOL DEPARTMENT SECTION (To be completed by Charter School Department only), IBIS Building "E"

Received By: [Signature], Date: 10/24/2012

#3

RECEIVED

From: Gardens School of Technology



APR 03 2017 THE SCHOOL DISTRICT OF PALM BEACH COUNTY

INSPECTOR GENERAL Charter School Employment Authorization

The purpose of this form is to authorize employment at a charter school. To apply for a position at a charter school complete and sign this authorization. Follow the directions as specified below. Incomplete forms will not be processed.

- Directions: 1. New hires should route this form through the steps below. 2. After all signatures in all three steps have been obtained, the completed form MUST be returned to the School Principal.

DOB 4/27/55

Form with fields: Charter School (GARDENS SCHOOL OF TECHNOLOGY), Applicant Name (MENKHAUS, DAVID J), Soc. Sec. #, Applicant Telephone, Applicant Address, E-mail Address, Subject/Position/Grade Level (BOARD MEMBER), Type of Position (Non-instructional).

Signature of Applicant [Signature] 7/20/11 Date

Signature of Charter School Principal [Signature] 7.16.2011 Date

STEP 1 - SCHOOL POLICE SECTION (To be completed by School Police only) Suite B-101

Must present valid driver's license and social security card - Fee \$85 payable by money order only to PBCSDPD (non-refundable).

Date Fingerprinted [Signature] 7/21/11 Date [Signature] 7/21/11 Date

STEP 2 - CERTIFICATION OFFICE SECTION (To be completed by Certification Office only) Suite A-152

DOE # Validity Certification Type Eligible? [] Yes [] No Subject(s) of Certification/ Eligibility [] REQUIRES OUT OF FIELD APPROVAL

Notes:

Completed By [Signature] Signature of Certification Representative Date

STEP 3 - CHARTER SCHOOL DEPARTMENT SECTION (To be completed by Charter School Department only), IBIS Building "E"

Received By [Signature] Signature of Charter School Representative Date 7-21-11

#4

RECEIVED

APR 03 2017

From: Gardens School of Technology



INSPECTOR GENERAL THE SCHOOL DISTRICT OF PALM BEACH COUNTY

Charter School Employment Authorization

The purpose of this form is to authorize employment at a charter school. To apply for a position at a charter school complete and sign this authorization. Follow the directions as specified below. Incomplete forms will not be processed.

- Directions: 1. New hires should route this form through the steps below. 2. After all signatures in all three steps have been obtained, the completed form MUST be returned to the School Principal.

DOB 6-29-70

Form fields: Charter School (Gardens School of Technology Arts), Applicant Start Date (6/29/11), Applicant Name (Stonecoper Melissa D), Soc. Sec. # (4108), Applicant Telephone (561) 531-0582, Applicant Address (120 Hamoton Cir. Jupiter 33458), Email Address (mstonecoper@gmail.com), Subject / Position / Grade Level (BOARD MEMBER), Type of Position (Non-instructional).

Signatures and dates for Applicant (M Stonecoper, 7/19/11) and Charter School Principal (Lana Thorndyke, 7-16-2011).

STEP 1 - SCHOOL POLICE SECTION (To be completed by School Police only) Suite B-101

Must present valid driver's license and social security card. Fee \$85 payable by money order only to PBCSDPD (non-refundable).

PROCESSED BY SCHOOL POLICE DEPT. DATE: 7/19/11. Signature of School Police Representative and Date (7/19/11).

STEP 2 - CERTIFICATION OFFICE SECTION (To be completed by Certification Office only) Suite A-152

DOE #, Validity, Certification Type, Eligible? (Yes/No), Subject(s) of Certification/Eligibility.

REQUIRES OUT OF FIELD APPROVAL

Notes

Completed By, Signature of Certification Representative, Date

STEP 3 - CHARTER SCHOOL DEPARTMENT SECTION (To be completed by Charter School Department only), IBIS Building "E"

Received By, Signature of Charter School Representative, Date (7-19-11)

#5



OFFICE OF INSPECTOR GENERAL

ACKNOWLEDGMENT OF RECEIPT

Date: 4/5/2017

I hereby acknowledge the receipt of the following documents related to OIG Case # 16-474

1. Referral to Department/Agency: School Police
2. Investigative Report done by the OIG
3. Preliminary Investigation done by the OIG
4. Audit related to _____

Signature of Department Representative

Date Received

*This receipt is to be retained by the OIG and placed with the designated Case File

Case # 16-474

Gardens School of Technology Arts, Inc.

Exhibit # 43

Memorandum from Assistant Chief of Police

Dated May 16, 2017

Subject: Fingerprint History



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FL

LAWRENCE J. LEON
CHIEF OF POLICE

DONALD E. FENNOY II, Ed.D.
CHIEF OPERATING OFFICER

SCHOOL POLICE DEPARTMENT
3330 FOREST HILL BOULEVARD, B-127
WEST PALM BEACH, FL 33406-5869

PHONE: 561-434-8435 / FAX: 561-434-8186
WWW.PALMBEACHSCHOOLS.ORG

RECEIVED
MAY 18 2017

INSPECTOR GENERAL

May 16, 2017

MEMORANDUM

TO: Ms. Angelette Green, Director of Investigations
Inspector General's Office

FROM: Patrick C. McCutcheon, Assistant Chief
School Police Department

PCM

SUBJECT: Fingerprint History

A further review of the fingerprinting history of the following subjects, indicates that they were fingerprinted as follows:

<u>Applicant</u>	<u>Date Fingerprinted</u>
Lori S. Busch	10/24/2012
David J. Menkhaus	07/21/2011
Melissa D. Stonecipher	07/19/2011

I hope this answers any concerns.

PCM:pvh

Case # 16-474-- GSOTA

Financial Review
Of GSOTA

Draft Report – 02-16-2017

Tina Seymour

**Special Review of
Gardens School of Technology Arts, Inc. – GSOTA
Case 16-474**

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2B	FEFP Funding & Accuracy of FTE Mid-Year Counts	
2C	Capital Outlay Funds Received by GSOTA Charter School	
2D	Charter School Did Not Provide District with Capital Outlay Plan with Proposed Expenditures	
2E	Charter School Leased Facilities from a Related Party <i>(Violation of Florida Statute §112.313 (3) Doing Business with One's Agency)</i>	
2F	Use of Public Funds for Religious Purposes <i>(State of Florida Constitution Prohibits the Use of Public Funds for Religious Purposes)</i>	
2G	Analysis of GSOTA Payments to CCI Church – “Other Expenses”	
2H	Missing Invoices for “Other Expenses”	
2I	Violation of Lease Agreement for GSOTA Charter School facility Lease - Utilities charged to GSOTA	
2J	100% of Total Costs of \$11,539 for Architect & Engineer Services passed through to GSOTA by CCI Church – Church <i>To avoid the use of taxpayer dollars for religious purp the cost of the building improvements should have prorated between CCI church and GSOTA charter s based on the square footage leased for the school faci</i>	
2K	GSOTA Charter School Conducted Business with Relat	
2L	Related Party Contract Provided Opportunity to Circum Internal Control Policies Related Party Contract Provid Opportunity to Circumvent Internal Control Policies	

*Submitted
2/16/17
Tina's
Report*

**Special Review of
Gardens School of Technology Arts, Inc. – GSOTA
Case 16-474
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10	100% of Total Costs of \$11,539 for Architect & Engineer Services passed through to GSOTA by CCI Church – Church benefited <i>To avoid the use of taxpayer dollars for religious purposes, the cost of the building improvements should have been prorated between CCI church and GSOTA charter school based on the square footage leased for the school facility</i>	15 - 16
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12	Related Party Contract Provided Opportunity to Circumvent Internal Control Policies	18 - 19

**Special Review of
Gardens School of Technology Arts, Inc. – GSOTA
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2/16/2017
3:41 pm
Tina
Green
Chica

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8 ⁶	Missing Invoices for “Other Expenses”	14
9 ^B	Violation of Lease Agreement for GSOTA Charter School Facility Lease - Utilities charged to GSOTA	14
10 ⁷ 6-C	100% of Total Costs of \$11,539 for Architect & Engineer Services passed through to GSOTA by CCI Church – Church benefited <i>To avoid the use of taxpayer dollars for religious purposes, the cost of the building improvements should have been prorated between CCI church and GSOTA charter school based on the square footage leased for the school facility</i>	15 - 16
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	<i>To avoid the use of taxpayer dollars for religious purposes, the cost of the building improvements should have been prorated between CCI church and GSOTA charter school based on the square footage leased for the school facility</i>	
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Special Review of

Gardens School of Technology Arts, Inc. – GSOTA

Case 16-474

The scope of the OIG’s financial review covered the time period of July 1, 2011 through August 31, 2016, which coincides with the start date of “The Gardens School of Technology Arts, Inc. – GSOTA” charter school contract through the last date of financial transactions examined. The auditor made inquiries of GSOTA charter school officials and District staff, and reviewed the following:

1. Applicable *Florida Statutes*.
2. *Rules of the Florida Auditor General*, Chapter 10.850 – “Audits of Charter Schools.”
3. Transcript of GSOTA’s Charter School Applicant Interview on November 11, 2009.
4. GSOTA *Charter Agreement*, (July 1, 2011 through June 30, 2016).
5. GSOTA Annual Audited Financial Statements.
6. GSOTA’s *Financial Controls*’ policies.
7. *Lease Agreement* between Gardens School of Technology Arts, Inc. - GSOTA (Tenant) and the Covenant Centre International, Inc. (Landlord) for the period of July 1, 2011 through June 30, 2016.
8. GSOTA’s Full-Time Equivalent (FTE) student reporting for FY 2012 – FY 2016.
9. GSOTA’s FEFP funds for FY 2012 – FY 2016.
10. GSOTA *Charter School Capital Outlay Funding* applications for FY 2015, 2016 and 2017.
11. GSOTA’s monthly bank statements, deposit slips and cancelled checks.
12. GSOTA’s accounting records including its general ledger, cash receipts, cash disbursements and supporting documentation.

FINDINGS & CONCLUSIONS

1. No Reported Financial Emergency Conditions by Independent CPA

Annual financial audits of charter schools are required by *Florida Statute §218.39(1)(e)* and *(f)*. The *Rules of the Auditor General (AG), Chapter 10.850 – “Audits of Charter Schools”* are intended to implement, interpret or make specific statutory provisions that are within the jurisdiction of the Florida Auditor General. Therefore, the Rules of the AG form the basis for the content of the independent audit reports of charter schools prepared by the independent Certified Public Accountants.

Section 10.854(1)(e)2. of the Rules of the Auditor General requires that the independent Certified Public Accountant report the results of whether or not the charter school met one or more financial conditions described in *Florida Statute §218.503(1)* and to identify the specific financial condition(s) met. Thus, the independent Certified Public Accountant is required to apply financial condition assessment procedures for the charter school to determine whether the charter school is in a state of “financial emergency.”

Financial Emergency. Per *Florida Statute §218.503(1)*, a financial emergency exists when any one of the following conditions occurs in a charter school’s financial operations:

1. Failure within the same fiscal year, in which due, to pay short-term loans or failure to make bond debt service or other long-term debt payments when due, as a result of a lack of funds.
2. Failure to pay uncontested claims from creditors within 90 days after the claim is presented, as a result of a lack of funds.
3. Failure to transfer at the appropriate time, due to lack of funds:
 - a. Taxes withheld on the income of employees; or
 - b. Employer and employee contributions for:
 - i) Federal social security; or
 - ii) Any pension, retirement, or benefit plan of an employee.
4. Failure for one pay period to pay, due to lack of funds:
 - a. Wages and salaries owed to employees; or
 - b. Retirement benefits owed to former employees.

Based on review of GSOTA charter school’s independent CPA’s annual financial statement audit reports for FY 2012 through FY 2016, the GSOTA charter school did not meet any of the conditions described in *Florida Statute §218.503(1)*, *Financial Emergency*.

No exceptions noted.

2. FEFP Funding & FTE Mid-Year Counts

The Gardens School of Technology Arts, Inc. (GSOTA) *Charter Agreement*, specifically *Section 4.A.1.a “Financial Accountability,”* provides that the primary basis for funding for the charter school’s operations is its proportionate share of funds from the “*Florida Education Funding Program – FEFP.*” At the start of a charter school’s operations, Full Time Equivalent (FTE) is based on the charter school’s projected student enrollment. Once the school year begins, FTE is revised based on actual counts of student enrollment and attendance during an eleven (11) day, Florida Department of Education (FDOE) specified, FTE survey period taken in October and February of each school year.

02-16-2017

Additionally, charter schools are required to report its student enrollment to its Sponsor, (i.e., the District) in accordance with the policies and procedures specified in *Florida Statute §1011.60, "Minimum requirements of the Florida Education Finance Program - FEFP."* For example, the charter school is required to use the District's electronic data processing system and procedures for the processing of student enrollment, attendance, FTE collection, etc.

The provisions of *Florida Statutes §1011.62, "Funds for operation of schools,"* requires the District to report the number of full-time equivalent (FTE) students and related data to the FDOE for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods, as previously stated above.

FEFP Funding Received by GSOTA

For FY2011 - 12 through FY2015 -16, the OIG reviewed the amount of FEFP funds the School District paid to GSOTA based on the charter school's student count. **Table 1** below summarizes the total FEFP funds the GSOTA charter school received for the period reviewed.

Table 1

FEFP PAYMENTS ISSUED TO GSOTA		
YEAR #	FISCAL PERIOD	TOTAL PAID
1	FY 2011 -12	\$ 745,547.00
2	FY 2012 -13	1,013,891.00
3	FY 2013 -14	1,387,738.00
4	FY 2014 -15	1,458,219.27
5	FY 2015 -16	\$ 1,737,663.11

Accuracy of FTE Counts for GSOTA

For School Year (SY) 2011 - 12 through SY 2015 -16, the OIG verified the accuracy of the mid-year student attendance counts by comparing the FTE counts provided to the OIG by GSOTA to the "Enrollment Summary" records in the District's TERMS database. Our objective was to verify that GSOTA did not over-report FTE student attendance counts and ensure GSOTA's FTE revenues were computed correctly.

Table 2 below summarizes the FTE counts for students attending GSOTA charter school for the SY 2011 -12 through SY 2015 – 16 as noted in the District’s TERMS database:

Table 2

GSOTA FTE STUDENT COUNTS		
FISCAL YEAR	OCTOBER MID-YEAR COUNT	FEBRUARY MID-YEAR COUNT
2011 - 2012	136	131
2012 - 2013	178	178
2013 – 2014	234	229
2014 – 2015	234	236
2015 - 2016	273	266

Based on inquiry of Distract staff and review of GSOTA's enrollment count records in TERMS, GSOTA's FTE was accurately reported for the FY 2012 through FY 2016.

No exceptions noted.

3. Capital Outlay Funds Received by GSOTA Charter School

Charter School Capital Outlay funds are annually allocated to eligible charter schools by the Florida Commissioner of Education. The funding received under this program are based on the School’s actual and projected student enrollment during the fiscal year.

Each year the Florida Department of Education (FDOE) releases an online application, which eligible charter schools must complete and submit to FDOE. The charter school's sponsor is required to review the application and provide a recommendation to the FDOE Department. The Commissioner of Education makes the final eligibility determination for a given charter school.

Florida Statute §1013.62, “Charter Schools Capital Outlay Funding,” governs the appropriation and use of capital outlay funding for those charter schools which meet the eligibility criteria set forth in the Florida Statutes. This statute establishes the criteria a charter school is required to meet in order to be eligible to receive capital outlay funds. The School must:

1. Have been in operation for 2 or more years.
2. Be governed by a governing board established in the state for 3 or more years, which operates both charter schools and conversion charter schools within the state.

3. Be an expanded feeder chain of a charter school within the same school district that is currently receiving charter school capital outlay funds.
4. Have been accredited by the Commission on Schools of the Southern Association of Colleges and Schools.
5. Have an annual audit that does not reveal any of the financial emergency conditions provided in s. 218.503(1) for the most recent fiscal year for which such audit results are available.
6. Have satisfactory student achievement based on state accountability standards applicable to the charter school.
7. Have received final approval from its Sponsor pursuant to *Florida Statute 1002.33, Charter Schools*, for operation during that fiscal year.
8. Serve students in facilities that are not provided by the charter school's sponsor.

Florida Statute §1013.62(a) states a charter school's governing body may use charter school capital outlay funds for the following purposes:

1. Purchase of real property.
2. Construction of school facilities.
3. Purchase, lease-purchase, or lease of permanent or relocatable school facilities.
4. Purchase of vehicles to transport students to and from the charter school.
5. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer.
6. Effective July 1, 2008, purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support school-wide administration or state-mandated reporting requirements.
7. Payment of the cost of premiums for property and casualty insurance necessary to insure the school facilities.
8. Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

We reviewed the FDOE's Office of Independent Education & Parental Choice website and verified that the charter school, "Gardens School of Technology Arts, Inc. – GSOTA," submitted "Charter School Capital Outlay" applications for three (3) consecutive years to the FDOE. A review of these applications indicated that GSOTA intended to use the capital outlay funds for statutorily authorized purpose, as documented in **Table 3** below:

Table 3

TYPES OF EXPENSES GSOTA INDICATED CAPITAL OUTLAY FUNDS WOULD BE USED FOR ¹	
FY	Description of expenditures to be paid for with Capital Outlay \$
2015	<ol style="list-style-type: none"> 1. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 2. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 3. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
2016	<ol style="list-style-type: none"> 1. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 2. Purchase of vehicles to transport students to and from the charter school. 3. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 4. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
2017	<ol style="list-style-type: none"> 1. Construction of school facilities. 2. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 3. Purchase of vehicles to transport students to and from the charter school. 4. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 5. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.

¹ Information is based on GSOTA's FDOE Capital Outlay Fund Applications for FY 2015, FY 2016 and FY 2017.

Table 4 below provides a summary of each of GSOTA's capital outlay funding applications submitted to the FDOE and the amount of capital outlay funds the charter school received for FY 2015, FY 2016 and FY 2017:

Table 4

SUMMARY OF GSOTA CAPITAL OUTLAY APPLICATIONS & FUNDING ²				
FY	Date Plan Submitted	Date Certified by District	Date Certified by FDOE	Capital Outlay Funds
2015	04/25/14	-	08/27/14	\$ 71,742
2016	07/01/15	08/03/15	08/31/15	39,516
2017	07/12/16	08/04/16	09/17/16	87,696 ³
			TOTAL	\$ 198,954

Actual Total Capital Outlay Funds Received per District Records

The OIG Auditor obtained a schedule of all monthly capital outlay payments from the District's Accounting Services Department and determined that GSOTA received a total of \$143,830 in capital outlay funding for FY 2015, FY2016 and FY 2017 as of November 1, 2016.

Table 5 below provides a detail breakdown of the capital outlay funds disbursed to GSOTA by the School District:

Table 5

FY	Capital Outlay Funds Issued to GSOTA
2015	\$ 71,742
2016	39,516
2017	32,572
TOTAL	\$ 143,830

² Source of information: FDOE's "Office of Independent Education & Parental Choice" website.

³ Per FDOE website, GSOTA's total estimated allocation for FY17 capital outlay funds is \$87,696 as of January 2017.

Charter School Did Not Provide the District with Capital Outlay Plan with Proposed Capital Expenditures

“GSOTA’s” *Charter Agreement*, dated May 18, 2011, addresses charter school capital outlay funds in *Section 4: Financial Accountability, (A) Revenue, (4) Charter School Capital Outlay Funds*. Specifically, the Charter Agreement states as follows:

“Application: The Charter School may be eligible for school capital outlay funding as per sections 1002.33(20), and 1013.62, F.S. Prior to release of capital outlay funds from the Sponsor to the Charter School, the Charter School must provide the Sponsor a capital outlay plan with proposed capital expenditures. If the charter school is non-renewed or terminated, any unencumbered funds and all equipment and property purchased with public funds shall revert to the ownership of the Sponsor as provided for in Section 1002.33 (8)(e), F.S.”

On December 16, 2016, the OIG inquired of the District Charter School Department as to whether the District had received capital outlay plans with proposed capital expenditures from the GSOTA charter school. We were informed that the Charter School Department does not maintain Charter School Capital Outlay Funding applications nor does the department have records from GSOTA for capital outlay plans or related expenditures.

Management Response:

4. Charter School Facilities are Leased from a Related Party

On July 1, 2011, the Gardens School of Technology Arts, Inc. (GSOTA) charter school entered into a Florida Lease Agreement with Covenant Centre International, Inc. (CCI church) to lease space for GSOTA's charter school facility. The school is located within the confines of the CCI church property and therefore both entities share the same property address of 9153 Roan Lane; West Palm Beach, FL 33403.

The Lease Agreement spanned the 5 year period of July 1, 2011 through June 30, 2016, coinciding with the original GSOTA Charter Agreement's five-year term. For the first year of the lease of its school facility, GSOTA paid CCI church \$9,166.67 per month or \$110,000 for FY2012. For the remaining four years of the Lease Agreement, GSOTA was obligated to pay \$10,833.33 per month to CCI church for its school facilities. Thus, the total cost to lease GSOTA's charter school facilities from CCI church for the original 5-year Lease Agreement was \$629,999.

Business Relationships between CCI (Landlord) and GSOTA (Tenant)

A. Covenant Centre, Inc. – CCI (Landlord)

The OIG reviewed CCI's online corporate filings with the Florida Secretary of State's Division of Corporations and noted the following: {See Exhibit _____ .}

1. The President of CCI is Norman D. Benz.
2. The Secretary of CCI is Kristopher (Erik) Benz.

B. Gardens School of Technology Arts, Inc. – GSOTA (Tenant)

A review of GSOTA's online corporate filings with the Florida Secretary of State's Division of Corporations revealed the following: {See Exhibit _____ .}

1. GSOTA was incorporated on August 3, 2009 by Kristopher (Erik) Benz.
2. Kristopher (Erik) Benz's home address is listed on the Articles of Incorporation for GSOTA. A review of the Palm Beach County Property Appraiser records shows that Kristopher (Erik) Benz and Jeanne K. Benz, as husband and wife, own the home with the same property address on the GSOTA Articles of Incorporation.
3. A review of GSOTA's *2017 Florida Not for Profit Corporation Annual Report* shows that Mrs. Jeanne K. Benz signed the annual report as the charter school's Director of Operations on January 9, 2017.

Familial Relationships between CCI (Landlord) and GSOTA (Tenant)

Based on inquiry and review of relevant information, the following familial relationships exist between Covenant Centre International Inc. (the Church) and the GSOTA charter school:

- CCI Church is pastored by Norman Benz and Judy Benz, husband and wife.
- Norman and Judy Benz are the father and mother Kristopher "Erik" Benz.
- Kristopher "Erik" Benz is married to Director of School Operations, Jeannie Benz.
- Kristopher Erik Benz is a member of the Governing Board of Covenant Centre International Inc. Church.

OIG Analysis of Lease Payments to CCI from GSOTA Charter School

For the period of July 1, 2011 through August 31, 2016, a total of \$701,793 was paid to CCI church by GSOTA for its school facility lease. Table 6 below summarizes the OIG's analysis of the annual lease payments GSOTA paid to CCI church to rent the charter school's facilities located within the CCI church's premises.

Table 6

FY	PAYEE	TOTAL LEASE PAYMENTS	RELATED PARTY NAME	RELATIONSHIP TO GSOTA
2011- 2012	CCI Church	\$ 110,000.04	Norman Benz	<ul style="list-style-type: none"> Father of K. Erik Benz Father-in-Law to J. Benz
2012- 2013	CCI Church	\$ 129,999.96	Norman Benz	<ul style="list-style-type: none"> Father of K. Erik Benz Father-in-Law to J. Benz
2013- 2014	CCI Church	\$ 150,906.29	Norman Benz	<ul style="list-style-type: none"> Father of K. Erik Benz Father-in-Law to J. Benz
2014- 2015	CCI Church	\$ 129,999.96	Norman Benz	<ul style="list-style-type: none"> Father of K. Erik Benz Father-in-Law to J. Benz
2015- 2016	CCI Church	\$ 119,166.63	Norman Benz	<ul style="list-style-type: none"> Father of K. Erik Benz Father-in-Law to J. Benz
2016- 2017	CCI Church	\$ 61,720.00 ⁴	Norman Benz	<ul style="list-style-type: none"> Father of K. Erik Benz Father-in-Law to J. Benz
	TOTAL	\$701,792.88		

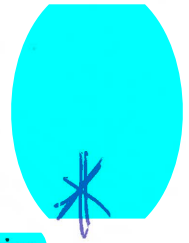
Violation of Florida Statute §112.313 (3) Doing Business with One's Agency

Florida Statute §112.313, Standards of conduct for public officers, employees of agencies, and local government attorneys defines a "public officer" as any person elected or appointed to hold office in any agency, including any person serving on an advisory body. Florida Statute §112.313, (3), Doing Business with One's Agency, states:

"No employee of an agency acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer's or employee's spouse or child is an officer, partner, director, or proprietor or in which

⁴ On July 1, 2016, GSOTA issued two check payments to CCI church: \$21,910 and \$17,900. On August 1, 2016, GSOTA paid \$21,910 to CCI church. All 3 check payments had dual signatures from GSOTA Governing Board members.

*Liz
Please
review*



such officer or employee or the officer's or employee's spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer's or employee's own agency, if he or she is a state officer or employee, or to any political subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision."

Given the business and familial relationships that exist between the individuals who operate CCI and the GSOTA charter school, the school's facility lease with CCI is in violation of *Florida Statute §112.313 (3), "Doing Business with One's Agency."*

Management Response:

5. Use of Public Funds for Religious Purposes

In our review of the supporting documentation for GSOTA's 2012 financial transactions, the OIG found a document titled, "Covenant Centre International Contribution Summary 2012," and issued to GSOTA charter school by "Dr. Norman Benz, Lead Pastor." The Contribution Summary for 2012 itemization 27 payments totaling \$135,555, which CCI church received from the GSOTA charter school. *{See Exhibit _____ for copy of Contribution Summary.}*

Dr. Norman Benz, Lead Pastor, also wrote a note to GSOTA which states, in part, as follows:

"Below is the record of your giving for 2012. I am so thankful for your tithe and offering... This yearly statement reflects our record of your giving for 2012, broken down by category on page one and a listing of all gifts on the following page. Your contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings."

Based on review of relevant supporting documentation, the OIG traced each 'tithe and offering' listed on the contribution statement to GSOTA's accounting records and source documents. The OIG determined that the check payments which CCI church received from the charter school were the monthly lease payments and other expense payments CCI church (Landlord) received from GSOTA charter school (Tenant).

Additionally, the OIG reviewed the corresponding cancelled check payments and noted that "Jeanne Benz," GSOTA's Director of Operations for GSOTA and a member of CCI Church's leadership team, signed 11 of the 27 check payments issued to CCI church in calendar year 2012. *{See Exhibit _____ for cancelled check copies.}*

Table 7 below summarizes the 2012 monthly lease payments GSOTA recorded in its general ledger and the corresponding monthly "tithes" CCI received from GSOTA.

TABLE 7

NO.	CHECK DATE	CHECK #	PAYEE	INVOICE #	CHECK SIGNORS	GSOTA PMT AMOUNT	CCI 2012 SUMMARY STATEMENT
1	01/05/2012	10107	CCI Church	5012	R.S. Vanderkooi / Debra Moore	\$ 9,166.67	\$ 9,166.67
2	01/05/2012	10108	CCI Church	5013	R.S. Vanderkooi	910.00	910.00
3	02/01/2012	10129	CCI Church	5014	R.S. Vanderkooi / L.Thormodsgaard	9,166.67	9,166.67
4	02/01/2012	10138	CCI Church	5015	R.S. Vanderkooi / L.Thormodsgaard	1,140.00	1,140.00
5	03/01/2012	10161	CCI Church	5016	R.S. Vanderkooi	780.00	0.00
6	03/01/2012	10162	CCI Church	5017	R.S. Vanderkooi / L.Thormodsgaard	9,166.67	9,946.67
7	04/01/2012	10181	CCI Church	5018	R.S. Vanderkooi / L.Thormodsgaard	9,166.67	10,066.67
8	04/01/2012	10182	CCI Church	-	R.S. Vanderkooi	900.00	0.00
9	04/19/2012	10195	CCI Church		R.S. Vanderkooi / J. Benz	2,200.00	2,200.00
10	05/01/2012	10204	CCI Church	5020	R.S. Vanderkooi / J. Benz	9,166.67	10,066.67
11	05/01/2012	10205	CCI Church	5021	R.S. Vanderkooi	900.00	0.00
12	05/13/2012	-	-	-	-	0.00	700.00
13	06/01/2012	10223	CCI Church	5022	R.S. Vanderkooi / J. Benz	9,166.67	10,066.67
14	06/01/2012	10227	CCI Church	5023	R.S. Vanderkooi	900.00	0.00
15	07/01/2012	10276	CCI Church	5024	R.S. Vanderkooi / J. Benz	10,833.33	10,833.33
16	07/15/2012	10280	CCI Church	5025	Jeanne Benz	700.00	700.00
17	08/10/2012	10281	CCI Church	5028	R.S. Vanderkooi / J. Benz	1,100.00	1,100.00
18	09/01/2012	10317	CCI Church	5030	R.S. Vanderkooi / L.Thormodsgaard	10,833.33	10,833.33
19	09/04/2012	10323		5029	L.Thormodsgaard	937.50	937.50
20	10/01/2012	10350	CCI Church	5031	R.S. Vanderkooi / L.Thormodsgaard	10,833.33	10,833.33
21	10/01/2012	10351	CCI Church	-	R.S. Vanderkooi	1,050.00	1,050.00
22	11/01/2012	10385	CCI Church	5033	L.Thormodsgaard / J. Benz	10,833.33	10,833.33
23	11/11/2012	10394	CCI Church	-	R.S. Vanderkooi / J. Benz	1,050.00	1,050.00
24	12/01/2012	10401	CCI Church	5035	R.S. Vanderkooi / L.Thormodsgaard	10,833.33	10,833.33
25	12/06/2012	10402	CCI Church		R.S. Vanderkooi / J. Benz	1,237.50	1,237.50
26	01/01/2013	10419	CCI Church		R.S. Vanderkooi / J. Benz	1050.00	0.00
27	01/01/2013	10420	CCI Church		R.S. Vanderkooi / J. Benz	10,833.33	11,883.33
TOTALS ⁵						\$134,855.00	\$ 135,555.00

⁵ There is a \$700 variance in the totals due to CCI church listing a \$700 payment received on 05/13/2012.

State of Florida Constitution Prohibits the Use of Public Funds for Religious Purposes

The Constitution of the State of Florida Article 1, "Declaration of Rights," Section 3. "Religious Freedom" states in part that,

"No revenue of the state or any political subdivision or agency thereof shall ever be taken from the public treasury directly or indirectly in aid of any church, sect, or religious denomination or in aid of any sectarian institution."

Given that the Contribution Summary for 2012 from CCI church was included in GSOTA's supporting documentation provided to the OIG, it appears that the charter school had knowledge that CCI church classified GSOTA's 2012 payments to CCI as charitable contributions. Moreover, the fact that Dr. Norman Benz's note to GSOTA stated that the "contributions to Covenant Centre International did not provide any goods or services to you, the donor, in exchange for these contributions except intangible spiritual blessings..." constitutes a violation of Florida law which prohibits the use of public funds for religious purposes.

Management Response:

6. Analysis of GSOTA Payments to CCI Church Classified as "Other Expenses"

The OIG reviewed GSOTA's accounting records to determine the nature of expenditures categorized as "Other Expenses," which were paid to CCI church. Based on our review, the majority of "Other Expenditures" were for payments to CCI church for telephone utilities and janitorial services; school facility expansion; and charter school improvements such as repair of doors, construction of classroom walls, landscaping, etc. **Table 8** below summarizes the results of the OIG's analysis "Other Expenditures" paid to CCI church by GSOTA charter school.

TABLE 8

FY	PAYEE	EXPENSE TYPE	TOTAL AMOUNT
2012 - 2016	CCI Church	Telephone / janitorial	\$ 53,900.36
2015 - 2016	CCI Church	School facility expansion	51,945.80
2012 - 2015	CCI Church	School repairs / improvements	50,349.44
2015	CCI Church	School Banner & Play Bill Ad	497.50
2014 - 2016	CCI Church	Unknown - missing invoices ⁶	23,331.30
		TOTAL	\$ 180,024.40

⁶ The OIG could not find invoices for three payments to CCI church: \$14,350 on 06/05/2014; \$3,120 on 06/01/2015; and \$5,861.30 on 08/24/2016.

Missing Invoices

The OIG searched through all the supporting documents provided by GSOTA charter school and was unable to locate invoices for three (3) payments categorized as “Other Expenses” and paid to CCI church:

	<u>DATE</u>	<u>PAYMENT AMOUNT</u>	<u>CHECK NO.</u>
1.	06/05/2014	\$14,350.00	2149
2.	06/01/2015	\$3,120.00	11167
3.	08/24/2016	\$5,861.30	7269

The OIG requests for the GSOTA charter school to research its invoice files and to provide the OIG with supporting documentation which would substantiate the purpose of these three (3) payments, as related to charter school costs.

Management Response:

6 B

Violation of Lease Agreement for GSOTA Charter School Facility Lease – Utilities

Article X, Utilities, of the Lease Agreement effective July 1, 2011 through June 30, 2016 states the following as it pertains to the Landlord’s responsibilities for utility costs:

“Landlord shall be responsible for and pay all the utility fees used by, and directly related to the Leased Premises such as water, sewer, gas, electricity, phone service, internet service and trash removal service while in possession of the same during the Term of this Lease unless otherwise expressly agreed in writing by Tenant.”

Findings

Based on the OIG review of GSOTA’s supporting documentation, we noted that CCI church issued a monthly statement to the charter school which invoiced GSOTA for telephone service, the cost of cleaning supplies and the associated labor for the charter school facilities. For FY 2012 through FY 2016, GSOTA paid CCI church a total of \$53,900 for these expenditures. Given the OIG was not provided with written documentation that the charter school agreed to pay CCI church for utility fees and trash removal, the OIG questions why GSOTA paid for these costs.

Management Response:

Total Costs of \$11,539 for Architect & Engineer Consultant Agreements passed through to GSOTA by CCI Church

The OIG reviewed a Proposal for Professional Services submitted by the engineering firm of "Simons & White, Inc." (Consultant) to Covenant Centre International, Inc. (Client), which was dated April 9, 2015 and addressed to Erik Benz. The scope of services included site plan changes and engineering related issues for a drainage report with a total cost of \$700. The Proposal was accepted and signed by Erik Benz, as Director for Covenant Centre International on April 9, 2015. *{See Exhibit _____ for supporting documentation.}*

The OIG reviewed a second fee estimate submitted to Covenant Centre International, Inc. on April 14, 2015 from the landscape architect firm of "Cotleur & Hearing Landscape Company." The fee estimate was emailed to Erik Benz by Cotleur & Hearing with an attached itemization of the services to be provided and the associated fees, which totaled \$10,838.58. Per the email from Cotleur & Hearing, CCI church was instructed to make its payment payable to "PBC BOCC" (i.e. the Palm Beach County Board of County Commissioners.) *{See Exhibit _____}*

Based on review of GSOTA's accounting records and supporting documentation, the OIG found Invoice 903 from CCI church to GSOTA dated April 14, 2015, which requested GSOTA to pay CCI church a total of \$11,538.58 for land development and engineering fees. **Table 9** below provides a detailed breakdown of CCI church's Invoice 903 to the charter school. *{See Exhibit _____ for supporting documentation.}*

TABLE 9

Qty.	DESCRIPTION	UNIT PRICE
1	Land Development Application Fee for Fees associated with Application for Rezoning as per Palm Beach County Board of County Commissioners and Palm Beach County Building & Zoning (Cotleur & Hearing)	\$ 10,838.58
1	Engineering Fees for Drainage Report (Simons & White)	700.00
	TOTAL	\$ 11,538.58

DRAFT

02-16-2017

A review of the fee estimate submitted to CCI church by "Cotleur & Hearing Landscape Company" shows that the entire 4 acre property owned by CCI church was included in the fee estimate and included the following structural square footage of CCI's buildings:

<u>AREA</u>	<u>SQUARE FOOTAGE (SF)</u>	<u>% of TOTAL</u>
1. Place of Worship	6,986 SF	20%
2. Daycare	1,302 SF	4%
3. Charter School	20,260 SF	56%
4. Accessory	7,052 SF	20%
TOTAL SQUARE FOOTAGE	35,600 SF	100%

The OIG questions the propriety of charging the charter school for the entire cost for CCI's building improvements when (a) GSOTA charter school is not the legal owner of the church property and (b) Florida law prohibits the use of public funds for religious purposes. As demonstrated in the OIG's analysis above, the charter school's footprint represents 56% of the total square footage of CCI church's facility. To avoid the use of taxpayer dollars for religious purposes, the cost of the building improvements should have been prorated between CCI church and GSOTA charter school based on the square footage leased for the school facility.

Management Response:

7. GSOTA Charter School Conducted Business with Related Parties

Based on review of GSOTA’s accounting records, supporting documentation, and GSOTA vendors’ online corporate filings with the Florida Secretary of State’s Division of Corporations, the OIG noted that the charter school conducted official school business with several related parties. **Table 10** below summarizes the OIG’s analysis of the total amounts the GSOTA charter school paid to five (5) related parties for the period July 1, 2011 through August 31, 2016. *{See Exhibit _____ for supporting documentation.}*

TABLE 10

NO.	PAYEE	TOTAL PAYMENTS	RELATED PARTY NAME	RELATIONSHIP TO GSOTA
1	Green Mouse Academy	\$ 190,137.14	Kooi, Shane Vander	<ul style="list-style-type: none"> • Incorporator of GSOTA • Owner of Green Mouse Academy
2	Five K Financial, Inc.	91,095.09	Benz, Kristopher “Erik”	<ul style="list-style-type: none"> • Incorporator of GSOTA • Incorporator of “Five K” • Married to Jeanne K. Benz, who is a GSOTA employee – Director of Operations
3	The Children’s Academy, Inc.	31,270.53	Benz, Judith C.	<ul style="list-style-type: none"> • Incorporator of “The Children’s Academy” (2005) • Mother-in-law of Jeanne K. Benz, who is a GSOTA employee – Director of Operations • Jeanne Benz is the Vice President of “The Children’s Academy”
4	Accellearn, LLC	12,255.68	Kooi, Shane Vander	<ul style="list-style-type: none"> • Incorporator of GSOTA • Owner / Manager of Accellearn, LLC
5	1 Stop Generator	2,537.80	Andio, Jon	<ul style="list-style-type: none"> • GSOTA Governing Board Member (2014 – Present)
	TOTAL RELATED PARTY PMTS	\$ 327,296.24		

Violation of Florida Statute §112.313 (3) Doing Business with One's Agency

Florida Statute §112.313, Standards of conduct for public officers, employees of agencies, and local government attorneys defines a "public officer" as any person elected or appointed to hold office in any agency, including any person serving on an advisory body. *Florida Statute §112.313, (3), Doing Business with One's Agency*, states:

"No employee of an agency acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer's or employee's spouse or child is an officer, partner, director, or proprietor or in which such officer or employee or the officer's or employee's spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer's or employee's own agency, if he or she is a state officer or employee, or to any political subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision."

Given the business and familial relationships that exist between the GSOTA charter school and the vendors listed in **Table 10** above, these business transactions constitute violations of *Florida Statute §112.313 (3), "Doing Business with One's Agency."*

Management Response:

8. Related Party Contract Provides Opportunity to Circumvent Internal Control Policies

The OIG reviewed an Agreement between the Gardens School of Technology Arts, Inc. – GSOTA and “Five K Financial, Inc.” the company owned by Kristopher “Erik” Benz. The Agreement was for a one-year period of July 1, 2015 through June 30, 2016 and required GSOTA to pay “Five K Financial, Inc.” (Consultant) a total of \$24,000 for providing “guidance and oversight” to GSOTA in the following areas: *{See Exhibit _____ for Agreement and Statement of Work for Consultant.}*

1. Monitor progress of the Five Year Plan for facility improvements and school expansion under the direction of the Board.
2. Guide the financial processes that will allow the school the resources needed to educate each student within the mission/vision of the school.

3. "Five K" will execute tasks as outlined in the Five Year Plan under the guidance of the Facilities Committee.
4. "Five K" will ensure that the facilities are adequate for school growth and fits within the vision of the School Image as planned for in the Facilities Plan and service school facilities needs in accordance with the school' growth plan.
5. Oversee the utilization of capital outlay funds for facility improvements according to priority schedule determined by the Facilities Committee.
6. To work under the guidance of the Board Treasurer to ensure budget integrity.
7. To assist the CPA in financial oversight, coding, processing and budgeting.
8. To work with the CPA and Director of Operations (*i.e. Jeanne K. Benz, "Erik" Benz's wife, who is an employee of GSOTA*) to help coordinate and disseminate information and plan documentation around payroll benefit programs and internal incentive programs.

The OIG reviewed GSOTA's "*School's Accounting & Reporting Policies, Procedures & Practices*," revised on November 17, 2014, and approved by GSOTA's Governing Board. Per the revised accounting policies, the charter school's Director of Operations, Jeanne K. Benz, is assigned the following financial oversight and authority:

1. Depositing daily cash receipts in the bank account.
2. Maintaining a petty cash fund imprest for \$200, including safeguarding the petty cash box.
3. Approval of all invoices received by the charter school.
4. Signing all checks greater than \$1,000, which requires dual signatures.
5. Approving all check requisition forms for purchases greater than \$500.
6. The Director of Operations and School Principal are the only authorized individuals with a debit card.

The OIG also reviewed the check signer forms for GSOTA's business bank account with J.P. Morgan Chase Bank, N.A. "Jeanne Kathleen Benz" was added as a check signer on GSOTA's bank accounts with Chase Bank on April 3, 2012.

Given that GSOTA's Director of Operations, Jeanne K. Benz, is married to Kristopher "Erik" Benz and who was awarded a consulting contract to provide fiscal oversight to the charter school through his company, "Five K Financial, Inc.," the charter school's system of internal controls is at risk for being circumvented. This is a direct result of GSOTA charter school awarded a consulting agreement to a related party, specifically Kristopher "Erik" Benz."

Management Response:

– End of Report –

Case # 16-474-- GSOTA

Financial Review
Of GSOTA

Draft Report – 02-09-2017

Tina Seymour

amgallette

This is my draft report of the financial review of GSOTA.

There are open items, which I flagged. One area of "FIELDWORK" "Open" is check signed for "RELATED PARTIES," too.

DRAFT

02-09-2017

The review covers the period from July 01 through August 31, 2016, which coincides with the start date of The Gardens School of Technology Arts, Inc. - GSOTA charter school contract through the last date of financial transactions examined. The auditor made inquiries of GSOTA charter school officials and District staff, and reviewed the following:

1. Applicable *Florida Statutes*.
2. *Rules of the Florida Auditor General*, Chapter 10.850 - "Audits of Charter Schools."
3. Transcript of GSOTA's Charter School Agreement, July 1, 2009.
4. GSOTA *Charter Agreement*, (July 1, 2009).
5. GSOTA Annual Audited Financial Statements, 2015.
6. GSOTA's *Financial Controls*' policies and procedures.
7. *Lease Agreement* between Garden of Eatin' and the Covenant Centre International, Inc. through June 30, 2016.
8. GSOTA's Full-Time Equivalent (FTE) staff list.
9. GSOTA's FEFP funds for FY 2012-2016.
10. GSOTA *Charter School Capital* and Operating Budget for FY 2017.
11. GSOTA's monthly bank statements.
12. GSOTA's accounting records including receipts, disbursements and supporting documents, cash

From Tina
 02/09/2017
 5:00 pm
 Will be working on this until next Wednesday at least

FINDINGS & CONCLUSIONS

1. No Reported Financial Emergency Conditions by Independent CPA

Annual financial audits of charter schools are required by *Florida Statute §218.39(1)(e)* and *(f)*. The *Rules of the Auditor General* (AG), *Chapter 10.850 - "Audits of Charter Schools"* are intended to implement, interpret or make specific statutory provisions that are within the jurisdiction of the Florida Auditor General. Therefore, the Rules of the AG form the basis for the content of the independent audit reports of charter schools prepared by the independent Certified Public Accountants.

Section 10.854(1)(e)2. of the Rules of the Auditor General requires that the independent Certified Public Accountant report the results of whether or not the charter school met one or more financial conditions described in *Florida Statute §218.503(1)* and to identify the specific financial condition(s) met. Thus, the independent Certified Public Accountant is required to apply financial condition assessment procedures for the charter school to determine whether the charter school is in a state of “financial emergency.”

Financial Emergency. Per *Florida Statute §218.503(1)*, a financial emergency exists when any one of the following conditions occurs in a charter school’s financial operations:

1. Failure within the same fiscal year, in which due, to pay short-term loans or failure to make bond debt service or other long-term debt payments when due, as a result of a lack of funds.
2. Failure to pay uncontested claims from creditors within 90 days after the claim is presented, as a result of a lack of funds.
3. Failure to transfer at the appropriate time, due to lack of funds:
 - a. Taxes withheld on the income of employees; or
 - b. Employer and employee contributions for:
 - i) Federal social security; or
 - ii) Any pension, retirement, or benefit plan of an employee.
4. Failure for one pay period to pay, due to lack of funds:
 - a. Wages and salaries owed to employees; or
 - b. Retirement benefits owed to former employees.

Based on review of GSOTA charter school’s independent CPA’s annual financial statement audit reports for FY 2012 through FY 2016, the GSOTA charter school did not meet any of the conditions described in *Florida Statute §218.503(1)* and therefore did not experience any financial emergencies.

No exceptions noted.

✓ **2. FEFP Funding & FTE Mid-Year Counts**

The Gardens School of Technology Arts, Inc. (GSOTA) *Charter Agreement*, specifically *Section 4.A.1.a “Financial Accountability,”* provides that the primary basis for funding for the charter school’s operations is its proportionate share of funds from the “*Florida Education Funding Program – FEFP.*” In general, one student is equal to one FTE or *full-time equivalent student.* At the start of a charter school’s operations, FTE is based on the charter school’s projected student enrollment. Once the school year begins, FTE is revised based on actual counts of student enrollment and attendance during an eleven (11) day, Florida Department of Education (FDOE) specified, FTE survey period taken in October and February of each school year.

Additionally, charter schools are required to report its student enrollment to its Sponsor, (i.e., the District) in accordance with the policies and procedures specified in *Florida Statute §1011.60, "Minimum requirements of the Florida Education Finance Program - FEFP."* For example, the charter school is required to use the District's electronic data processing system and procedures for the processing of student enrollment, attendance, FTE collection, etc.

The provisions of *Florida Statutes §1011.62, "Funds for operation of schools,"* requires the District to report the number of full-time equivalent (FTE) students and related data to the FDOE for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods, as previously stated above.

FEFP Funding Received by GSOTA

For FY2011 - 12 through FY2015 -16, the OIG reviewed the amount of FEFP funds the School District paid to GSOTA based on the charter school's student count. **Table 1** below summarizes the total FEFP funds the GSOTA charter school received for the period reviewed. Based on GSOTA's student attendance "FTE" counts, the charter school received a total of \$6,343,058 during the five-year period of FY 2012 through FY 2016 as detailed below.

Table 1

FEFP PAYMENTS ISSUED TO GSOTA		
YEAR #	FISCAL PERIOD	TOTAL PAID
1	FY 2011 -12	\$ 745,547.00
2	FY 2012 -13	1,013,891.00
3	FY 2013 -14	1,387,738.00
4	FY 2014 -15	1,458,219.27
5	FY 2015 -16	\$ 1,737,663.11
	TOTAL	\$6,343,058.38

Accuracy of FTE Counts for GSOTA

For SY 2011 - 12 through SY 2015 -16, the OIG verified the accuracy of the mid-year student attendance counts by comparing the FTE counts provided to the OIG by GSOTA to the "Enrollment Summary" records in the District's TERMS database. Our objective was to verify that GSOTA did not over-report FTE student attendance counts and ensure GSOTA's FTE revenues were computed correctly.

Table 2 below summarizes the FTE counts for students attending GSOTA charter school for the SY 2011 -12 through SY 2015 – 16 as noted in the District’s TERMS database:

Table 2

GSOTA FTE STUDENT COUNTS		
FISCAL YEAR	OCTOBER MID-YEAR COUNT	FEBRUARY MID-YEAR COUNT
2011 - 2012	136	131
2012 - 2013	178	178
2013 – 2014	234	229
2014 – 2015	234	236
2015 - 2016	273	266

Funding?

3. Capital Outlay Funds Received by GSOTA Charter School for School Facility Expansion

Charter School Capital Outlay funds are annually allocated to eligible charter schools by the Florida Commissioner of Education. The amounts received under this program are based on the School’s actual and projected student enrollment during the fiscal year.

Each year the Florida Department of Education (FDOE) releases an online application, which eligible charter schools must complete and submit to FDOE. The charter school's sponsor will review the application and provide a recommendation to the FL DOE Department. The Commissioner of Education makes the final eligibility determination for a given charter school.

Florida Statute §1013.62, “Charter Schools Capital Outlay Funding,” governs the appropriation and use of capital outlay funding for those charter schools which meet the eligibility criteria set forth in the Florida Statutes.

Per the 2016 Florida Statutes, the following are the criteria a charter school must meet to be eligible to receive capital outlay funds:

1. Have been in operation for 2 or more years.
2. Be governed by a governing board established in the state for 3 or more years, which operates both charter schools and conversion charter schools within the state.
3. Be an expanded feeder chain of a charter school within the same school district that is currently receiving charter school capital outlay funds.

4. Have been accredited by the Commission on Schools of the Southern Association of Colleges and Schools.
5. Have an annual audit that does not reveal any of the financial emergency conditions provided in s. 218.503(1) for the most recent fiscal year for which such audit results are available.
6. Have satisfactory student achievement based on state accountability standards applicable to the charter school.
7. Have received final approval from its Sponsor pursuant to *Florida Statute 1002.33, Charter Schools*, for operation during that fiscal year.
8. Serve students in facilities that are not provided by the charter school's sponsor.

Florida Statute §1013.62(a) states a charter school's governing body may use charter school capital outlay funds for the following purposes:

1. Purchase of real property.
2. Construction of school facilities.
3. Purchase, lease-purchase, or lease of permanent or relocatable school facilities.
4. Purchase of vehicles to transport students to and from the charter school.
5. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer.
6. Effective July 1, 2008, purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support school-wide administration or state-mandated reporting requirements.
7. Payment of the cost of premiums for property and casualty insurance necessary to insure the school facilities.
8. Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

We reviewed the FDOE's Office of Independent Education & Parental Choice website and verified that the charter school, "Gardens School of Technology Arts, Inc. – GSOTA," submitted "Charter School Capital Outlay" applications for three (3) consecutive years to the FDOE. A review of these applications indicated that GSOTA intended to use the capital outlay funds for statutorily authorized purpose, as documented in **Table 3** below:

Table 3

TYPES OF EXPENSES GSOTA INDICATED CAPITAL OUTLAY FUNDS WOULD BE USED FOR ¹	
FY	Description of expenditures to be paid for with Capital Outlay \$
2015	<ol style="list-style-type: none"> 1. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 2. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 3. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
2016	<ol style="list-style-type: none"> 1. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 2. Purchase of vehicles to transport students to and from the charter school. 3. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 4. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
2017	<ol style="list-style-type: none"> 1. Construction of school facilities. 2. Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or lease). 3. Purchase of vehicles to transport students to and from the charter school. 4. Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer. 5. Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.

¹ Information is based on GSOTA's FDOE Capital Outlay Fund Applications for FY 2015, FY 2016 and FY 2017.

Table 4 below provides a summary of each of GSOTA’s capital outlay funding applications submitted to the FL DOE and the amount of capital outlay funds the charter school received for FY 2015, FY 2016 and FY 2017:

Table 4

SUMMARY OF GSOTA CAPITAL OUTLAY APPLICATIONS & FUNDING ²				
FY	Date Plan Submitted	Date Certified by District	Date Certified by FL DOE	Capital Outlay Funds
2015	04/25/14	-	08/27/14	\$ 71,742
2016	07/01/15	08/03/15	08/31/15	39,516
2017	07/12/16	08/04/16	09/17/16	87,696 ³
			TOTAL	\$ 198,954

Charter School Did Not Provide the District with Capital Outlay Plan with Proposed Capital Expenditures

“GSOTA’s” *Charter Agreement*, dated May 18, 2011, addresses charter school capital outlay funds in *Section 4: Financial Accountability, (A) Revenue, (4) Charter School Capital Outlay Funds*. Specifically, the Charter Agreement states as follows:

“Application: The Charter School may be eligible for school capital outlay funding as per sections 1002.33(20), and 1013.62, F.S. Prior to release of capital outlay funds from the Sponsor to the Charter School, the Charter School must provide the Sponsor a capital outlay plan with proposed capital expenditures. If the charter school is non-renewed or terminated, any unencumbered funds and all equipment and property purchased with public funds shall revert to the ownership of the Sponsor as provided for in Section 1002.33 (8)(e), F.S.”

Management Response

² Source of information: FL DOE’s “Office of Independent Education & Parental Choice” website.

³ Per FL DOE website, GSOTA’s total estimated allocation for FY17 capital outlay funds is \$87,696 as of January 2017.

Actual Total Capital Outlay Funds Received per District Records

The OIG Auditor obtained a schedule of all monthly capital outlay payments from the District’s Accounting Services Department and determined that GSOTA received a total of \$143,830 in capital outlay funding for FY 2015, FY2016 and FY 2017 as of November 1, 2016.

Table 5 below provides a detail breakdown of the capital outlay funds disbursed to GSOTA by the School District:

Table 5

FY	Capital Outlay Funds Issued to GSOTA
2015	\$ 71,742
2016	39,516
2017	32,572
TOTAL	\$143,830.00

4. GSOTA School Facilities are Leased from a Related Party

+ CHECK PMTS. to "Covenant" may be signed by "related party"

NOTE: Insert portions of the “Transcript of GSOTA’s Charter School Applicant Interview on November 11, 2009,” where the District focuses on whether the GSOTA founders will remain on Governing Board for GSOTA. (See p. 3 of 34 of transcript).

Important to note that “Vander Kooi” stated that “Erik Benz” will remain on Governing Board of GSOTA and that Erik Benz is concerned “given his position at the church (Landlord / Lessor).

Public research it appears there may be some questionable management relationships between the Church (Covenant Centre International Inc.) and GSOTA. Attorney Sagerholm stated the Church is pastored by Norman and Judy Benz and that Norman and Judy Benz is the mother and father of Kristopher Erik Benz who is married to Director of School Operations Jeannie Benz. Attorney Sagerholm further stated Khristopher Erik Benz along with Shane R. Vander Kooi are the original incorporators of Gardens School of Technology Arts, Inc. and that Kristopher Erik Benz currently sits on the Governing Board of the Church (Covenant Centre International Inc.) and that at one point Shane R. Vander Kooi sat on the Governing Board of GSOTA.

Table 6 below summarizes \$ _____ in check payments paid by GSOTA to Covenant Centre, International, Inc. for lease of GSOTA’s school facilities:

Table 6

Potential Noncompliance with School Board Policy 3.02 Code of Ethics.

The July 1, 2012 Lease Agreement between Covenant Centre International, Inc. (Landlord) and the GSOTA charter school appears to be in noncompliance with **School Board Policy 3.02, Code of Ethics**, as required by **Section 10: Human Resources, (B) Employment Practices of the Charter Agreement.**

Specifically, **School Board Policy 3.02, Section (5)(e), Avoidance of Conflicts of Interest**, states:

“[...] A conflict of interest shall be defined as a situation in which the employee’s regard for a private interest tends to lead to a disregard of the employee’s public duty or interest [...] Unethical conduct includes, but is not limited to, the employee [...] participating in the decision to make a contract between the School [Board] and a business or entity in which the employee has a personal or financial interest. This includes contractual relationships with units of government as well as for profit and not for profit organizations such as charter schools.”

Management Response:

5. "Covenant Centre International" issued GSOTA a Tithing "Contribution Statement" for 2012 GSOTA Monthly Rent Payments of \$120,000

OFFICE OF INSPECTOR GENERAL
SCHOOL DISTRICT OF PALM BEACH COUNTY
SPECIAL REVIEW OF "GARDENS SCHOOL OF TECHNOLOGY ARTS, INC."

FOR THE PERIOD JULY 1, 2011 through AUGUST 31, 2016

RENT PAYMENTS "COVENANT CENTRE, INTERNATIONAL"
DOCUMENTED AS TITHES

DATE	CHECK #	PAYEE	Invoice #	LEASE PMT AMOUNT
01/05/2012	10107	Covenant Centre, Inc.	Invoice 5012	\$ 9,166.67
02/01/2012	10129	Covenant Centre, Inc.	Invoice 5014	\$ 9,166.67
03/01/2012	10162	Covenant Centre, Inc.	Invoice 5017	\$ 9,166.67
04/01/2012	10181	Covenant Centre, Inc.	Invoice 5018	\$ 9,166.67
05/01/2012	10204	Covenant Centre, Inc.	Invoice 5020	\$ 9,166.67
06/01/2012	10223	Covenant Centre, Inc.	June rent	\$ 9,166.67
07/01/2012	10276	Covenant Centre, Inc.	Invoice 5024	\$ 10,833.33
08/01/2012	2080	Covenant Centre, Inc.	Invoice 5027	\$ 10,833.33
09/01/2012	10317	Covenant Centre, Inc.	Invoice 5030	\$ 10,833.33
10/01/2012	10350	Covenant Centre, Inc.	Invoice 5031	\$ 10,833.33
11/01/2012	10385	Covenant Centre, Inc.	Invoice 5033	\$ 10,833.33
12/01/2012	10401	Covenant Centre, Inc.	Invoice 5035	\$ 10,833.33
				<u>\$ 120,000.00</u>

6. Lease Agreement - Other Expenses

The Lease Agreement between GSOTA and Covenant required the church to provide the following to GSOTA charter school:

- Utilities
-

payments for "School Facility Expansion" on behalf of "Covenant Centre"

Management Response:

** Check pmts. signed by Related Party*

(Spreadsheet = complete - just need to write-up findings)

7. Other Related Party Transactions

Based on information found within the Charter contract between the Palm Beach School Board and GSOTA, the Charter School Governing Board members were identified as: Debra K. Moore, President, Joshua M. Wiggins, Treasurer, Kristopher E. Benz, Secretary, Melissa Stonecipher, Director, and R. Shane Vander Kooi, Director.

Based on documents with the Florida Department of State, Gardens School of Technology Arts, Inc. was founded and incorporated by Kristopher E. Benz and R. Shane Vander Kooi on August 3, 2009.

John Andio is the owner of "1 stop" which did business with the GSOTA charter school. John Andio is a member by GSOTA Governing Board as of July 21, 2014

Jeanne Benz is a relative of the founder of GSOTA Charter School – the wife of Kristopher "Erik" Benz

Jeanne Benz is an employee of GSOTA Charter School – Director of Operations

FL Statute 1002.33, Charter Schools, (24) RESTRICTION ON EMPLOYMENT OF RELATIVES.—

(a) This subsection applies to charter school personnel in a charter school operated by a private entity. As used in this subsection, the term:

1. "Charter school personnel" means a charter school owner, president, chairperson of the governing board of directors, superintendent, governing board member, principal, assistant principal, or any other person employed by the charter school who has equivalent decision making authority and in whom is vested the authority, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals or to recommend individuals for appointment, employment, promotion, or advancement in connection with employment in a charter school, including the authority as a member of a governing body of a charter school to vote on the appointment, employment, promotion, or advancement of individuals.

2. "Relative" means father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

– End of Report –

Moreau, Cassy

From: Tina <ttopley@aol.com>
Sent: Tuesday, May 29, 2018 3:48 PM
To: Moreau, Cassy
Subject: Fwd: GSOTA Charter School, Tenant, and Covenant Church International- CCI, FORECLOSURE
Attachments: Foreclosure_Complaint_GSOTA_CCI_2013.pdf

Cassy,

Please see the attached Complaint re: CCI's foreclosure that is a public record in the Palm Beach County Clerk of Court's online record system. Also, as you will read in the email thread below, Dr. Avossa sent this information to "Hector Collazo, IG for Pinellas County," on June 1, 2017.

On May 30, 2017, I immediately sent this information to our former Superintendent Dr. Robert Avossa, Ed.D., and School Board Chairman Chuck Shaw, after I found this mortgage foreclosure Complaint in the Palm Beach County Clerk of Courts' records against both the charter school (GSOTA) and the CCI church. Moreover, **this was after I had already been transferred from the School District of Palm Beach County's OIG department on April 17, 2017 to the "Office of Professional Standards,"** (at my request) by the District's Chief of Human Resources, Dr. Gonzalo La Cava. Therefore, at the time the final Report of Investigation for Case 16-474 was released by the School District's OIG in March 2017, no one had found this \$1.5 million foreclosure lawsuit filed against the Landlord (the Church - Covenant Church International (CCI) and its Tenant, the Gardens School of Technology Arts (GSOTA) as the investigation was abruptly shut down by IG "Kwong" Lung Chiu" on February 16, 2017.

This underscores the fact that for me to have reported a possible tax evasion allegation to the Internal Revenue Service in February 2017 would have been premature, as I did not have proof the Landlord (i.e. the Church - Covenant Church International - CCI) had a purchase money-mortgage on its building it was leasing to the charter school. That triggers "UBIT - unrelated business income tax" for CCI church on the rental income it receives from the charter school, "Gardens School of Technology Arts - GSOTA."

Regardless, an Inspector General has a duty to make inquiries of irregularities it uncovers during the course of an investigation, forensic audit, etc. What I recommended for the District IG to do, was to make additional inquiries of the charter school for its records of "tithes" to the CCI church, etc. and that is what was rejected by the Inspector Lung Chiu and his General Counsel Elizabeth McBride in our meeting in January 2017. As it stands presently, it is probable the the GSOTA charter school's Landlord, "Covenant Church International - CCI" has not paid federal income tax for the rental income it is earning from the lease of its facilities to the charter school to the IRS for YEARS! That puts both the Landlord and its Tenant at risk for an IRS audit uncovering non-payment of UBIT and would force the Landlord, "CCI Church," to pay back taxes, interest and penalties should the IRS perform its own investigation into this matter. That is no longer my responsibility since your office, the Pinellas County Office of Inspector General, has an agreement with the School District of Palm Beach County, to conduct timely and thorough reviews of complaints it receives involving the School District

of Palm Beach County's Inspector Generals Office, when the School District's **OIG** is not fulfilling its oversight responsibilities and duties to the public as it's taxpayer watchdog.

Lastly, I am making a few corrections to the notes you transcribed of my phone interview with you last Wednesday, May 23, 2018, and will provide you with my edits soon.

Respectfully,

Christina "Tina" M. Seymour, CPA, MBA

PS: **See IRS Publication 1828, p. 19 for "Unrelated Business Income Tax"**
:<https://www.irs.gov/pub/irs-pdf/p1828.pdf>

-----Original Message-----

From: Robert Avossa (Superintendent) <avossa.rm@palmbeachschools.org>
To: ttopley <ttopley@aol.com>
Cc: Chuck Shaw <chuck.shaw@palmbeachschools.org>
Sent: Thu, Jun 1, 2017 10:14 am
Subject: Re: GSOTA Charter School, Tenant, and Covenant Church, FORECLOSURE

Thank you for your email. I am forwarding your emails to Hector Collazo, IG for Pinellas County.

On Tue, May 30, 2017 at 10:37 AM, ttopley <ttopley@aol.com> wrote:
Dr. Avossa,

Please see the attached Complaint I found in the Palm Beach Clerk of Court records.

On March 5, 2013, "Enterprise Bank of Florida," filed a lawsuit to foreclose on the mortgage of Covenant Church and it's Tenant, Gardens School of Technology Arts, Inc.

This is proof Covenant Church had a "purchase money" mortgage on its property located at 9153 Roan Lane in Palm Beach Gardens. Therefore, the rental income the church was receiving from GSOTA is "unrelated business income" and triggers federal income tax for the church. This is possibly why Covenant Church was classifying the charter school lease payments as "tithes."

I am sending this to you and Board Chairman Chuck Shaw for the District's decision making purposes in the charter school agreement renewal.

Lastly, I am going to research my own audit files I have to determine if it's FY 2014 independent audited financial statements disclosed this lawsuit as a contingent liability and possible going concern issue of the GSOTA Charter school facility.

Thank you for your assistance with this matter.

Tina Seymour

Sent from my Verizon, Samsung Galaxy Tablet

----- Original message -----

From: Christina Seymour <christina.seymour@palmbeachschools.org>
Date: 5/30/17 10:20 AM (GMT-05:00)
To: ttopley <ttopley@aol.com>
Subject:

--

Christina "Tina" Seymour, CPA, MBA

Human Resources Specialist II
Professional Standards
3300 Summit Boulevard
West Palm Beach, FL 33406

christina.seymour@palmbeachschools.org

Disclaimer: Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

--

Robert M. Avossa, Ed.D., Superintendent

School District of Palm Beach County
3300 Forest Hill Blvd., Suite C-316
West Palm Beach, FL 33406
561-649-6833



Disclaimer: Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

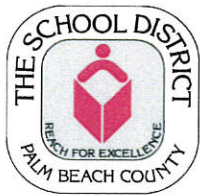


Home About Covenant Life School Calendar Giving Contact



JUNE 2018

SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3 10:00 AM CELEBRATION & COMMUNION, DR. NORMAN BENZ 6:30 PM PORTUGUESE	4 7:00 PM BAND OF BROTHERS (MEN'S GROUP)	5 7:00 PM SO FLO YUNG FAM (YOUNG ADULTS)	6 7:00 PM BELOVED (YOUTH) 7:00 PM - MID-WEEK ENCOUNTER, DR. NORMAN BENZ	7 6-7:30 PM CCI FOOD DISTRIBUTION	8 WORD-SPIRIT-POWER JACK TAYLOR & CHARLES CARRIN CONFERENCE, 7:00 PM	9 WORD-SPIRIT-POWER JACK TAYLOR & CHARLES CARRIN CONFERENCE, 10:00 AM & 6:00 PM
10 10:00 AM CELEBRATION, SPECIAL GUESTS JACK TAYLOR & CHARLES CARRIN 6:30 PM PORTUGUESE	11 7:00 PM BAND OF BROTHERS (MEN'S GROUP) EXTREME MUSICAL THEATER CAMP BEGINS	12 7:00 PM SO FLO YUNG FAM (YOUNG ADULTS)	13 7:00 PM BELOVED (YOUTH) 7:00 PM - MID-WEEK ENCOUNTER, DR. NORMAN BENZ	14 6-7:30 PM CCI FOOD DISTRIBUTION	15 7:30 PM EXTREME MUSICAL THEATER CAMP PERFORMANCE	16 2:30 PM EXTREME MUSICAL THEATER CAMP PERFORMANCE
17 FATHER'S DAY & 21ST ANNIVERSARY OF HOLY SPIRIT OUTPOURING 10:00 AM CELEBRATION, DR. NORMAN BENZ 6:30 PM PORTUGUESE	18 7:00 PM BAND OF BROTHERS (MEN'S GROUP)	19 7:00 PM SO FLO YUNG FAM (YOUNG ADULTS)	20 7:00 PM BELOVED (YOUTH) 7:00 PM - MID-WEEK ENCOUNTER, DR. NORMAN BENZ	21 6-7:30 PM CCI FOOD DISTRIBUTION	22	23
24 10:00 AM CELEBRATION, DR. NORMAN BENZ 6:30 PM PORTUGUESE	25 7:00 PM BAND OF BROTHERS (MEN'S GROUP)	26 7:00 PM SO FLO YUNG FAM (YOUNG ADULTS)	27 7:00 PM BELOVED (YOUTH) 7:00 PM - MID-WEEK ENCOUNTER, DR. NORMAN BENZ	28 6-7:30 PM CCI FOOD DISTRIBUTION BELOVED YOUTH LEAVE FOR THE RAMP	29	30



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA

OFFICE OF INSPECTOR GENERAL
3318 FOREST HILL BLVD., C-306
WEST PALM BEACH, FL 33406
(561) 434-7335 FAX: (561) 434-8652
www.palmbeachschools.org
Hotline: 855-561-1010

LUNG CHIU, CIG, CPA
INSPECTOR GENERAL

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KAREN M. BRILL
BARBARA MCQUINN
ERICA WHITFIELD

DONALD E. FENNOY II, Ed.D., SUPERINTENDENT

July 25, 2018

Via email and U.S. Mail

Hector Collazo Jr., Inspector General/CAE
Division of Inspector General
510 Bay Avenue
Clearwater, FL 33756

Re: Response to the Investigation of a Complaint Filed with the Palm Beach County School District (PBCSD) in May 1, 2017 Alleging Misconduct or Other Wrongdoing Involving the PBCSD Office of Inspector General (OIG) and/or Employees of the PBCSD's OIG (Respondents), Regarding the Gardens School of Technology Arts, Inc. (GSOTA), OIG Investigation Case Number 16-474

Dear Mr. Collazo:

In response to your July 25, 2018 Investigative Report, I agree with your conclusions that all allegations were unfounded. Thank you for your office's professionalism and thoroughness in putting together the report.

Truly yours,

Lung Chiu
Inspector General



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA

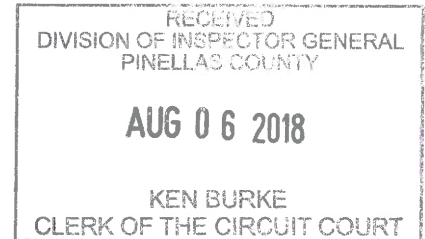
OFFICE OF INSPECTOR GENERAL
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LUNG CHIU, CIG, CPA
INSPECTOR GENERAL

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July 31, 2018



Mr. Hector Collazo
Inspector General/Chief Audit Executive
Clerk of Circuit Court and Comptroller, Pinellas County
Division of Inspector General
501 Bay Avenue
Clearwater, Florida 33756

Re: Investigation of a Complaint Filed with PBCSD on May 1, 2017, Alleging
Misconduct or Other Wrongdoing Involving the PBCSD Office of Inspector General
(OIG) and/or Employees of the PBCSD's OIG (Respondents), Regarding the Gardens
School of Technology Arts, Inc. (GSOTA), OIG Investigation Case No. 16-474

Dear Mr. Collazo:

This letter is to acknowledge my receipt of your office's draft report for the above referenced investigation.

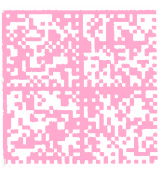
After reviewing the draft report, please be advise that I have no further statements or documents to provide relative to the investigation.

Sincerely,

Elizabeth T. McBride

OFFICE OF INSPECTOR GENERAL
3318 FOREST HILL BLVD
C-306
WEST PALM BEACH, FL 33406

Mr. Kretzer College
Division of Inspection General
501 Bay Ave
Clearwater, Florida, 33756



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