C O P Y

BOARD OF EDUCATION

RESOLUTION

ACCEPTANCE OF OFAC REPORT ISSUED IN CASE #ECE-009-14
REGARDING THE EARLY CHILDHOOD PRESCHOOL EDUCATION PROGRAM
PROVIDED BY JEFFERSON PARK DAYCARE CENTER FOR THE 2012/2013
BUDGET YEAR AND ADOPTION OF DISTRICT CORRECTIVE ACTION PLAN

WHEREAS, on or about June 8, 2015, the State of New Jersey Department of Education Office of Fiscal Accountability and Compliance ("OFAC") issued a report in Case #ECE-009-14 of its findings and recommendations related to its review of the District's financial records involving Jefferson Park Daycare Center for the 2012/2013 budget year; and,

WHEREAS, the District has prepared a Corrective Action Plan for adoption by the Board of Education to enact the recommended practices set forth in the OFAC report; and,

WHEREAS, the Board of Educations is required by regulation (N.J.A.C. 6A:23A-5.6) to publicly review and discuss (1) the findings and recommendations contained in the OFAC report at a public meeting of the Board of Education, and (2) the Corrective Action Plan to be adopted by the Board of Education.

NOW, THEREFORE, BE IT RESOLVED that the Elizabeth Board of Education acknowledges receipt of the OFAC report issued regarding Jefferson Park Daycare Center (Case #ECE-009-14).

BE IT FURTHER RESOLVED that the Elizabeth Board of Education adopts the Corrective Action Plan to address the recommendations and findings that were made in the OFAC report for implementation by District personnel, as set forth in the Corrective Action Plan.

BE IT FURTHER RESOLVED that a copy of the OFAC report and Corrective Action Plan shall be posted on the District's website with the agenda and meeting minutes for the January 21, 2016 meeting.

BE IT FURTHER RESOLVED that a copy of the Corrective Action Plan and this resolution shall be forwarded to OFAC immediately in accordance with N.J.A.C. 6A:23A-5.6(c).

TRUE COPY APPROVED AND ADOPTED AT THE BOARD OF EDUCATION MEETING

HELD JANUARY 21, 2016

Harold E. Kennedy, Jr

School Business Administrator/Board Secretary

Elizabeth, New Jersey

EARLY CHILDHOOD PRESCHOOL EDUCATION FISCAL REVIEW RESPONSE OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE NEW JERSEY DEPARTMENT OF EDUCATION CORRECTIVE ACTION PLAN

CAP# ECE-009-14

COUNTY: Union

2012/2013 Budget Year NAME OF SCHOOL DISTRICT Elizabeth Public Schools

TYPE OF EXAMINATION:

Early Childhood Preschool Education Program

Report of Examination (Date) June 8, 2015

Office of Fiscal Accountability and Compliance (OFAC)

DATE OF BOARD MEETING: January 21, 2016

ADDRESS 485 Madison Ave., Elizabeth, NJ 07201 PROVIDER CONTACT INFORMATION: PROVIDER Jefferson Park Daycare Center

DIRECTOR Khaleega Rouse

OFAC Case # ECE-009-14

TELEPHONE 908-354-2266

FAX 908-354-7360

FINDING/		The Part of the Pa	METHOD OF	INDIVIDUAL	COMPLETION DATE
RECOMMENDATION	FINDING	CORRECTIVE ACTION	IMPLEMENTATION	RESPONSIBLE FOR	OF
NUMBEK				IMPLEMENTATION	IMPLEMENTATION
1. DOE Preschool	The Director signed	In accordance with the	The District will	Provider Director	June 30, 2016
Education Program	the quarterly	contract section III N (1)	recover the	Fiscal Specialist	
	expenditure report	the Provider enhance its	remaining balance	Comptroller	
	certifying it was	current financial	due of \$ 17,844.00.		
	accurate, and	management system in	The recovery will		
	complete. During	order to ensure timely,	include an agreed		
	the district's review,	accurate, current, and	upon plan between		
	the provider did not	complete disclosure of all	the District and the		
	submit all of the	financial activities related	Provider which is		
	supporting	to the DOE program.	aggressive, but will		
	documentation for		take into account		
	numerous line		the Provider's		
	items, which		ability to meet the		
	resulted in the	4	current cost of the		
	district disallowing		ptogram.		
	those expenses. In a		The Provider will		
	meeting with the		ensure all		
	Division of Early		expenditures		
	Childhood		reported on the		

		CAP# ECE-009-14
 Education (DECE),	quarterly	
it was determined	expenditure report	
the OFAC would	are supported by	
accept all of the	actual invoices,	
legitimate DOE	proof of payment,	
preschool education	and submitted to the	
program	district with each	
expenditures that	quarterly	
were supported by	submission in a	
invoices previously	timely manner.	
missing from the	,	
district's year-end		
review. Based on		
the results of the		
fiscal review, the		
OFAC identified		- 14-c
\$71,784.00 in		
underspent DOE		
preschool education		
program funds. The		
district withheld		
\$53,940.00;		
therefore,		
\$17,844.00 remains		
payable to the		
district.		

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CAP# ECE-009-14	September 1, 2015																																
CA	Ţ	Fiscal Specialist																															
	The District will	monitor the provider	to ensure	appropriate controls	are maintained over	financial	transactions.																										
	In accordance with the	contract section III N (1),	The Provider will enhance	its current financial	management system, in	order to ensure timely,	accurate, current, and	complete disclosure of all	financial activities related	to the DOE program.																							
	A review of the	Independent	Auditor's Reports	led	June 30, 2013,	ditors	identified two	financial statement	findings: "The	organization has	incurred recurring	deficits for the last	several years. These	deficits were	financed using	available funds in	the Organization's	investment	accounts, and by	delaying liquidation	of the amount	recoupable by its	main grantor,	Elizabeth Board of	Education.	However, as of June	30, 2013, the	investment account	funds had been fully	depleted. And the	grantor is	intensifying its	efforts to recoup the
	2. The investigator	noted evidence of	financial difficulties	and the provider's	lack of fiscal	controls.																											

				CAP# ECE-009-14
outstanding amounts due."				
"During the course of our audit, we noted that the Organization did not have a complete set of properly set up general ledger system that could generate a trial balance useable for the audit. This resulted in spending enormous audit time in ensuring the accuracy of the Organization's financial statements. We also noted that the bank accounts were not reconciled for ten of the twelve months during the fiscal year ended June 30, 2013."	In accordance with the contract section III N (4), The Provider will enhance its current financial management system, in order to ensure the maintenance of a general ledger and account reconciliation of all financial activities related to the DOE program.	The District will monitor the provider to ensure appropriate controls are maintained over financial transactions.	Provider Director Fiscal Specialist	September 1, 2015

					CAP# ECE-009-14
∀.	A review of the	In accordance with the	The District will	Provider Director	November 15, 2015
2md + 4m	indirect cost line	The Drawider will enhance	monitor the provider	Fiscal Specialist	
¥ ¥	following: the	its current financial	appropriate controls		
<u> </u>	building grounds	management system, in	are maintained over		
- ਰ	and maintenance,	order to ensure timely,	financial		
'=	the utilities, the	accurate, current, and	transactions.		
. 📇	insurance and the	complete disclosure of all			
र्ख ः	accounting line	financial activities related			
= .=	items included invoices with	to the DOE program.			
<u> </u>	numerous instances	The Provider will establish			
0	of duplicate	financial internal controls			
<u> </u>	payments, duplicate	that will eliminate			
<u> </u>	postings, and	duplicate payments and			
ल	accruals that were	posting to the general			
ㅁ	not reversed when	ledger.			
7	the provider posted		-		
<u> </u>	the actual invoice				
d	payment to the				
	general ledger.				
[1	The building,	The Provider will establish	The District will	Provider Director	November 15, 2015
50	grounds and	financial internal controls	monitor the provider	Fiscal Specialist	
<u> </u>	maintenance, the	that will ensure insurance	to ensure	•	
<u> </u>	utilities, and the	payments are	appropriate controls		
-=	insurance line items	uninterrupted, and vendor	are maintained over		
	included invoices	payments are disbursed	financial		
<i>></i>	with numerous shut-	timely.	transactions.		
0	off notices, carried-				
4	forward balances,				
8	and late fees.	TO A A A A A A A A A A A A A A A A A A A			

CAP# ECE-009-14		tor November 15, 2015
	Provider Director	Provider Director
	The Provider will ensure its cash liquidity and notify the District of any shortfall in cash.	The Provider and District will ensure a final version of the quarterly expenditure report is completed, agreed upon, and maintained by both the district and the provider.
	In accordance with the contract section III N (2), The Provider will enhance its current financial management system, in order to ensure expenditures are made in strict accordance with the Departments Private Provider Budget and Expenditure Guidance.	In accordance with the contract section III N (6), The Provider will enhance its current financial management system, in order to ensure the timely completion of all financial requirements, and timely submission of all financial reports described in section VII of the Provider Pre-School Contract.
	A sample review of the bank statements revealed numerous overdraft and returned item fees.	The quarterly expenditure report received from the provider did not reconcile to the quarterly expenditure report received from the district. In addition, the provider's submission and the district's review of the final quarterly expenditure report were not completed in a timely manner.
		3. The investigator detected accounting irregularities.

CAP# ECE-009-14	

CAP# ECE-009-14		
•		
	In accordance with the contract section III N (1), The Provider will enhance its current financial management system, in order to ensure timely, accurate, and complete disclosure of all financial activities related to the DOE program.	
	A review of the substitute teacher assistant, the family worker, and the clerical worker salary line items revealed the salaries reported in the payroll registers did not reconcile to the salaries reported on the quarterly expenditure report	

	**************************************				CAP# ECE-009-14
	A review of the	In accordance with the	The Provider will	Provider Director	November 15, 2015
	substitute teacher	contract section III N (1),	ensure the general	Fiscal Specialist	
	assistant, the family	The Provider will enhance	ledger reconciles to		
	worker, and the	its current financial	the quarterly		
	clerical worker	management system, in	expenditure report;		
	salary line items	order to ensure timely,	and the salaries, the		
	revealed the salaries	accurate, and complete	benefits, the payroll		
	reported in the	disclosure of all financial	taxes and		
	payroll registers did	activities related to the	administrative and		
	not reconcile to the	DOE program.	indirect costs are		
	salaries reported on		reported accurately.		
	the quarterly				
	expenditure report.				
	The teacher and	In accordance with the	The Provider will	Provider Director	February 3, 2014
	teacher assistant, the	contract section III N (6),	ensure all	Fiscal Specialist	
-	family worker, the	The Provider will enhance	expenditures	•	
	clerical, and the	its current financial	reported on the		
	security guard	management system, in	quarterly		
	benefit line items	order to ensure the timely	expenditure report		
	were understated.	completion of all financial	are supported by		
	In a meeting with	requirements, and timely	actual invoices,		
	DECE, it was	submission of all financial	proof of payment,		
	determined all of the	reports described in section	and submitted to the		
	legitimate benefit	VII of the Provider Pre-	district with each		
	invoices, which	School Contract.	quarterly		
	were previously		submission in a		
	missing from the		timely manner.		
	district's year-end		•		
	review, would be				
· -	considered				
	allowable				
	expenditures.				

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				CAP# ECE-009-14
The provider reported the payroll taxes based on the budgeted percentage rather than the actual costs. In addition, the provider did not take into consideration the \$30,300.00 threshold for the unemployment and disability payroll taxes.	In accordance with the contract section III N (1), The Provider will enhance its current financial management system, in order to ensure timely, accurate, and complete disclosure of all financial activities related to the DOE program.	The Provider will ensure the general ledger reconciles to the quarterly expenditure report; and the salaries, the benefits, the payroll taxes and administrative and indirect costs are reported accurately.	Provider Director Fiscal Specialist	February 3, 2014
A review of the indirect cost line items revealed the following: the building grounds and maintenance, the utilities, the security, the insurance, and the accounting line items were understated. In a meeting with DECE, it was determined all of the legitimate invoices, which were	In accordance with the contract section III N (6), The Provider will enhance its current financial management system, in order to ensure the timely completion of all financial requirements, and timely submission of all financial reports described in section VII of the Provider Pre-School Contract.	The Provider will ensure all expenditures reported on the quarterly expenditure report are supported by actual invoices, proof of payment, and submitted to the district with each quarterly submission in a timely manner.	Provider Director Fiscal Specialist	April 15, 2014

NEW JERSEY DEPARTMENT OF EDUCATION OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE EARLY CHILDHOOD PRESCHOOL EDUCATION FISCAL REVIEW RESPONSE CORRECTIVE ACTION PLAN

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previously missing from the district's year-end review, would be considered allowable expenditures.				
The rent, mortgage, and other space cost line item was not accurately reported. In a meeting with the DECE, it was determined the allowable space costs should be based on the fair market leasehold value of the property.	In accordance with the contract section III N (2), The Provider will enhance its current financial management system, in order to ensure expenditures are made in strict accordance with the Departments Private Provider Budget and Expenditure Guidance.	The space costs agreement between the District and The Provider will be based on the fair market leasehold value of the property.	Provider Director Fiscal Specialist Comptroller	February 22, 2016
A review of the indirect cost line items on the quarterly expenditure report revealed the expenditures did not reconcile, on a quarterly or yearly basis, to the general ledger.	In accordance with the contract section III N (1), The Provider will enhance its current financial management system, in order to ensure timely, accurate, and complete disclosure of all financial activities related to the DOE program.	The Provider will ensure the general ledger reconciles to the quarterly expenditure report; and the indirect costs are reported accurately. The Provider will also ensure all expenditures	Provider Director Fiscal Specialist	April 15, 2014

The provider included late fees and the Directors and the Directors and Officers and Officers and Officers and Officers and Officers and Officers Liability insurance quarterly expenditure report, which are considered unallowable costs to the DOE funded program. The Provider Budget and expenditure Guidance. The Provider will ensure all expenditures charged to the DOE program are allowable and approvable for the current contract year.

NEW JERSEY DEPARTMENT OF EDUCATION OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE EARLY CHILDHOOD PRESCHOOL EDUCATION FISCAL REVIEW RESPONSE

CAP# ECE-009-14 SUPPORTING POCUMENTATION MUST BE SUBMITTED ALONG WITH THE CORRECTIVE ACTION PLAN Fiscal Specialist Board Secretary/Busine CORRECTIVE ACTION PLAN Date Director of Early Obitethood Education Chief Soffool Administrator



State of New Jersey

CHRIS CHRISTIE Governor KIM GUADAGNO Lt. Governor

DEPARTMENT OF EDUCATION PO Box 500 Trenton, NJ 08625-0500

DAVID C. HESPE Commissioner

June 8, 2015

TO:

Ellen Wolock, Ed.D., Administrator Division of Early Childhood Education

FROM:

Robert J. Cicchino, Director 🗸

Office of Fiscal Accountability and Compliance

SUBJECT: Elizabeth Public Schools

Early Childhood Preschool Education Program

Jefferson Park Day Care Center, Inc.

OFAC Case #ECE-009-14

The Office of Fiscal Accountability and Compliance (OFAC) completed a fiscal review of the 2012-2013 preschool education program contract (the contract), budget and financial records of Jefferson Park Day Care Center, Inc. (the provider), a contracting preschool provider in the Elizabeth Public Schools (the district).

The OFAC was advised of concerns regarding certain financial and administrative operations of the provider. A review was deemed appropriate for the 2011-2012 and the 2012-2013 contract years and an investigator from the OFAC reviewed the financial and operational data of the provider. The review revealed several areas of concern during the 2011-2012 contract year which were generally resolved in the 2012-2013 contract year. A separate report will be issued for both contract years. The OFAC recommends additional monitoring and follow-up be performed by the district in order to prevent any occurrence of potential fraud, waste, and abuse of the educational components in the preschool education program. The review revealed a potential violation of the state labor laws. Accordingly, the OFAC will notify the Department of Labor and Workforce Development.

A copy of the report on this matter is attached for your review. The district, in collaboration with the provider, is required to submit a corrective action plan (CAP) to the OFAC, in conformance with the provisions of N.J.A.C. 6A:23A-5.6. A copy of the corrective action procedures and the CAP format will be sent to the district and the provider. The CAP format can be accessed on the Department of Education internet site by visiting http://www.state.nj.us/education/ece/budget/cap/ or contacting the county liaison with the Division of Early Childhood Education.

If you have any questions, please contact Thomas C. Martin, Manager, Investigations Unit, at (609) 633-9615.

RJC/I:\ECE\Final ECE Reports\13-14 Reports\Frs\ECE_009_14 Jefferson Park Day Care Final Report 2012-2013.Doc Attachment

www.nj.gov/education

Distribution

Robert Bumpus Michael Yaple Karin Garver Thomas C. Martin Olga Hugelmeyer Odell Jackson Khaleeqa Rouse Suzanne Fenske Stephen Eells

STATE OF NEW JERSEY DEPARTMENT OF EDUCATION OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE

ELIZABETH PUBLIC SCHOOLS EARLY CHILDHOOD PRESCHOOL EDUCATION PROGRAM

REPORT OF EXAMINATION

JUNE 2015

NEW JERSEY DEPARTMENT OF EDUCATION OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE

REPORT OF EXAMINATION – JUNE 2015 ELIZABETH PUBLIC SCHOOLS EARLY CHILDHOOD PRESCHOOL EDUCATION PROGRAM

EXECUTIVE SUMMARY

The Office of Fiscal Accountability and Compliance (OFAC) completed a fiscal review of Jefferson Park Day Care Center Inc. (the provider), a contracting preschool provider in the Elizabeth Public Schools (the district) for the Department of Education (DOE) preschool education program. The fiscal review was conducted to ensure compliance with the terms of the 2012-2013 preschool education program contract (the contract). The fiscal review is not a comprehensive audit; it is a review of certain fiscal aspects of the preschool education program.

The provider was referred to the OFAC regarding certain financial and administrative operations. A review was deemed appropriate for the 2011-2012 and the 2012-2013 contract years and an investigator from the OFAC reviewed the financial and operational data of the provider. As of February 2013, the provider contracted a new director and a new accounting firm. Although there were several areas of concern revealed during the 2011-2012 school year, the issues were generally resolved in the 2012-2013 school year. A separate report has been issued for both contract years.

As a result of the fiscal review, the following deficiencies were noted:

- 1. The OFAC review determined the provider underspent the approved 2012-2013 budget by a total of \$71,784.00. The district withheld \$53,940.00 in underspent funds; therefore, \$17,844.00 remains payable to the district (see Exhibit A).
- 2. The investigator noted evidence of financial difficulties and the provider's lack of fiscal controls.
- 3. The investigator detected accounting irregularities.

DETAILED FINDINGS

The OFAC reviewed the budget, the financial records and a sample review of the supporting documentation for the contract period of July 1, 2012, through June 30, 2013. During the contract year, the funds were allocated to the provider and approved by the district. The actual costs reported were based on a six-hour and fifty-minute, 181-day comprehensive educational preschool program.

The fiscal review was conducted to determine whether or not:

- The childcare center had a current license.
- The provider maintained a current facility lease.

- The provider had a current independent audit performed.
- The provider filed federal and state tax returns.
- The provider maintained a financial management system that provided timely, accurate, current and complete disclosure of all financial activities related to the DOE preschool education program.
- The provider maintained the proper insurance as required by the contract.
- The provider submitted the proper documentation to support the sample review of the quarterly expenditure report.

The provider is a nonprofit childcare center located at 485 Madison Avenue, with administrative offices located at 1090 Mary Street, Elizabeth, New Jersey, and was budgeted to serve a total of 75 children funded by the DOE. The 2012-2013 approved budget totaled \$1,166,759.00.

During the fiscal review, the OFAC investigator worked collaboratively with the district and the provider to minimize the number of compliance findings.

Below is a summary of the remaining fiscal review findings:

1. DOE Preschool Education Program

The DOE funded the six-hour and fifty-minute educational component of the preschool education program, and the Department of Human Services (DHS) funded the wrap-around program.

The director signed the quarterly expenditure report certifying it was accurate and complete. During the district's review, the provider did not submit all of the supporting documentation for numerous line items, which resulted in the district disallowing those expenses. In a meeting with the Division of Early Childhood Education (DECE), it was determined the OFAC would accept all of the legitimate DOE preschool education program expenditures that were supported by invoices previously missing from the district's year-end review.

Based on the results of the fiscal review, the OFAC identified \$71,784.00 in underspent DOE preschool education program funds. The district withheld \$53,940.00; therefore, \$17,844.00 remains payable to the district (see Exhibit A).

Recommendation:

The OFAC recommends the district recover the underspent funds from the provider totaling \$17,844.00 and review the issues below and make the necessary adjustments.

2. The investigator noted evidence of financial difficulties and the provider's lack of fiscal controls

The provider may be experiencing financial difficulties as a direct result of the lack of fiscal controls.

- A review of the Independent Auditor's Reports for the year ended June 30, 2013, revealed the auditors identified two financial statement findings:
 - o "The organization has incurred recurring deficits in the last several fiscal years. These deficits were financed using available funds in the Organization's investment accounts and by delaying the liquidation of the amount recoupable by its main grantor, Elizabeth Board of Education. However, as of June 30, 2013, the investment account funds had been fully depleted. And the grantor is intensifying its efforts to recoup the outstanding amounts due."
 - O "During the course of our audit, we noted that the Organization did not have a complete set of properly set up general ledger system that could generate a trial balance useable for the audit. This resulted in spending enormous audit time in ensuring the accuracy of the Organization's financial statements. We also noted that the bank accounts were not reconciled for ten of the twelve months during the fiscal year ended June 30, 2013."
- A review of the indirect cost line items revealed the following:
 - O The building, grounds and maintenance, the utilities, the insurance, and the accounting line items included invoices with numerous instances of duplicate payments, duplicate postings, and accruals that were not reversed when the provider posted the actual invoice payment to the general ledger.
 - o The building, grounds and maintenance, the utilities and the insurance line items included invoices with numerous shut-off notices, carried-forward balances and late fees.
- A sample review of the bank statements revealed numerous overdraft and returned item fees.

Recommendation:

The financial position of the provider's DOE preschool education program should be determined as soon as possible. The OFAC recommends the provider establish sound fiscal controls and work with the district to determine an exception to the standard proration based on the decrease in funds received from the DHS to ensure the DOE funds are managed appropriately. The provider should establish a complete general ledger system that can produce both financial statements and trial balances, eliminate the instances of duplicate payments and postings, ensure the vendor payments are disbursed timely and perform the bank reconciliations on a monthly basis.

3. The investigator detected accounting irregularities

The investigator noted the following irregularities:

- The quarterly expenditure report received from the provider did not reconcile to the quarterly
 expenditure report received from the district. In addition, the provider's submission and the
 district's review of the final quarterly expenditure report were not completed in a timely
 manner.
- A review of the substitute teacher assistant, the family worker, and the clerical worker salary line items revealed the salaries reported in the payroll registers did not reconcile to the salaries reported on the quarterly expenditure report.
- A review of the teacher and teacher assistant, the family worker, the clerical worker and the
 security guard benefit line items revealed the provider understated the expenditures. In a
 meeting with the DECE, it was determined all of the legitimate benefit invoices, which were
 previously missing from the district's year-end review, would be considered allowable
 expenditures.
- The provider reported the payroll taxes based on the budgeted percentage rather than the actual costs. In addition, the provider did not take into consideration the \$30,300.00 threshold for the unemployment and the disability payroll taxes.
- A review of the indirect cost line items revealed the following:
 - O The building, grounds and maintenance, the utilities, the security, the insurance and the accounting line items were understated. In a meeting with the DECE, it was determined all of the legitimate invoices, which were previously missing from the district's year-end review, would be considered allowable expenditures.
 - o The rent, mortgage and other space cost line item was not accurately reported. In a meeting with the DECE, it was determined the allowable space costs should be based on the fair market leasehold value of the property.
 - O A review of the indirect cost line items on the quarterly expenditure report revealed the expenditures did not reconcile, on a quarterly or yearly basis, to the general ledger.
- The provider included late fees and the Directors and Officers Liability insurance policy on the quarterly expenditure report, which are considered unallowable costs to the DOE funded program.

Recommendation:

The OFAC recommends the provider enhance its current financial management system, in order to ensure the accurate disclosure of all financial activities related to the DOE preschool education program. The provider should ensure a final version of the quarterly expenditure is completed, agreed upon, and maintained by both the district and the provider. In addition, the provider should ensure the general ledger reconciles to the quarterly expenditure report; and the salaries, the benefits, the payroll taxes and the indirect costs are reported accurately. The provider and the district should document the agreed upon costs related to the facility and ensure all expenditures reported on the quarterly expenditure report are supported by actual invoices and proof of payment, and submitted to the district with each quarterly submission in a timely manner.

OBSERVATIONS

The provider did not maintain accurate employment contracts for the part-time family worker, the director and the clerical worker.

Submitted by:

Thomas C. Martin, Manager

Homos C. Martin

Investigations Unit

Approved by:

Robert J. Cicchino, Director

Office of Fiscal Accountability and Compliance

Special Investigator: Suzanne Fenske

Jefferson Park Day Care Center, Inc. 2012 - 2013 Fiscal Year Budget vs. Actual

	Transfer (1)		Budget vs. Act	and the breat and removable a black bert	n i na completa in completa de la c	li nim stramerškia del die	DAMES NEEDS
AND THE PROPERTY OF THE PROPER	10		(P)	SUPPLEMENT OF STREET	20 100 Advisoration (1972)	Suport Matte Traccit teast Corac	VARANCE ANGUNT DA BACK
EDUCATIONAL PROGRAM COSTS					3 5 312,481	5 7.223	\$ 72
Teacher Salary	3	319,684	\$ 309.561	\$ 10,12	3 \$ 312,481	5 7.223	
Teacher Assistant Salary	3	189,947	178,782				\$ 11,1
Floating Teacher Assistant Salary		30,626	30.625	S	30.626	•	3
Teacher/Assistant Teacher Benefits	5	92,602	43,680	\$ 48,92	2 64,055	28,547	\$ 28,5
Substitute Teacher Stipend	5	8,000	8,585				
Substitute Assistant Teacher Stipend	5	5,600	3,214	\$ 2,38	6.331	(731)	\$ (7
Classroom Materials and Supplies	\$	5,035		5 5,03		5,035	
Classroom Technology Field Trips w/ Transportation	5	1,000	ļ	\$ 1,000 \$ 1,500		1,000	\$ 1.0 \$ 1.5
FIRM THE WEST AND THE STATE OF							
Family Worker Salary Family Worker Benefits	5	50,797 7,620	46,784	\$ 4,013 \$ 7,620			\$ 1 \$ 7.4
Food (for contracted preschool children only)	bursat S	6,721	6,721		6,721	-	\$
Food Worker Salary (cook)	5	9,499		9,49		9,499	\$ 9.4
Food Worker Benefits (cook)	5	1,425	<u>.</u>	1,426	<u> </u>	1,425	\$ 1,4 \$
Assistant Food Worker Salary (asst. cook) Assistant Food Worker Benefits (asst. cook)	5						s
Second Town (Car Educational Congress	Qo-Isi	one onbit		 			
Employer Payroll Taxes (For Educational Program Social Security (6.20%)	Posiu	dia only)					
Medicare (1.45%)	\$	67,249	59,933	7,316	71,572	(4,323)	\$ (4,3
Unemployment (2.80%) Disability (0.50%)		·					
SUBFOTAL EQUESTIONS PROGRESS COME.	\$	797,305	\$ 887,886	\$ 109,420	\$ 725,938	\$ 71,387	\$ 71,30
ADMINISTRATIVE SUPPORT AND INDIRECT	r.co	3.78 A G					
SUPPORT COSTS	<u> </u>				60.474	\$ 2.810	\$ 2,8
Director Salary Director Benefits	\$	61,281 9,192	\$ 58,471 5,230	\$ 2,810 3,962		\$ 2,810 3.962	\$ 3.9
Clerical Salary	\$	22,295	22,295		26,150		
Ciercal Benefits	\$	3,575 6,594	3,574	6,594		(1,125) 8,594	\$ (1,1) \$ 6,5
Custodian Salary Custodian Benefits	5	3,089		3,089		3,089	\$ 3,0
Security Guard Salary	\$	29,130	29,130	4,138	29,130	3,982	\$ 3,96
Security Guard Benefits Social Security (6.20%)	\$	4,138	*	4,130	130	0,002	<u> </u>
Medicare (1.45%)	s	14,597	11,871	2,726	13,872	725	\$ 72
Unemployment (2.80%)						720	•
Disability (0.50%)	1		·			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Disability (0.50%)	=					720	
INDIRECT COSTS Rent, Morigage, Other Space Costs	5	63,835	6,804	57,031		4,337	\$ 4,3
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair	\$ \$	4,266	4,266	57,031	59,49 <u>8</u> 4,266 4,837		
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment-\$2000 and Repair Office Materials and Supplies	S	4,266 4,837 739	4,266 4,837	739	4,266 4,837	4,337 - - 739	\$ 4,33 \$ \$ \$
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies	\$ \$ \$ \$	4,266 4,837 739 4,890	4,266 4,837 4,283	739 607	4,266 4,837 4,283	4,337 - - 739 607	\$ 4,33 \$ \$ \$ 73 \$ 60
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings	\$ \$ \$ \$ \$	4,266 4,837 739	4,266 4,837	739	4,266 4,837 4,283 477	4,337 - 739 607 77 (11,421)	\$ 4,33 \$ 5 \$ 73 \$ 60 \$ 77 \$ (11,42
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair	\$ \$ \$ \$ \$ \$	4,266 4,837 739 4,890 554 47,296 26,617	4,266 4,837 4,283 477 44,803 19,163	739 607 77 2,493 7,454	4,265 4,837 4,283 4,77 58,717 23,487	4.337 - - 739 607 77 (11,421) 3.130	\$ 4,3 \$ 5 \$ 5 \$ 73 \$ 66 \$ 7 \$ (11,42
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services	\$ \$ \$ \$ \$	4,266 4,837 739 4,890 554 47,296 26,617 6,866	4,266 4,837 4,283 4,77 44,803 19,163 5,347	739 607 77 2,493 7,454 1,519	4,266 4,837 4,283 4,77 58,717 23,487 5,347	4,337 - - 739 607 77 (11,421) 3,130 1,519	\$ 4,3: \$ \$ \$ 7: \$ 66 \$ 7 3 (11.42 \$ 3,1:3 \$ 1,61
INDIRECT COSTS Rant, Morigage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security	\$ \$ \$ \$ \$ \$ \$	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961	4,266 4,837 4,283 477 44,803 19,163	739 607 77 2,493 7,454	4,266 4,837 4,283 477 58,717 23,487 5,347 12,220	4.337 - - 739 607 77 (11,421) 3.130	\$ 4,33 \$ 5 \$ 75 \$ 66 \$ 7 \$ (11,42 \$ 3,13 \$ 1,61 \$ (7,25
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance	\$ \$ \$ \$ \$ \$	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596	4,266 4,837 4,283 477 44,803 19,163 5,347 5,320 15,441 28,750	739 607 77 2,493 7,454 1,619 (359 12,285 (2,154	4,266 4,837 - 4,283 477 58,717 23,487 5,347 12,220 24,823 31,275	4,337 739 607 77 (11,421) 3,130 1,519 (7,259) 2,903 (4,679)	\$ 4,3: \$ 5 \$ 75 \$ 60 \$ 7,25 \$ 1,61 \$ 1,65 \$ 7,25 \$ 2,90 \$ 4,67
INDIRECT COSTS Rent, Morigage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security nsurrance Accounting Fees	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596 3,177	4,266 4,837 4,283 477 44,803 19,163 5,347 5,320 15,441	739 607 77 2,493 7,454 1,519 (359 12,285 (2,154 1,079	4,266 4,837 - 4,283 4,77 58,717 23,467 5,347 12,220 24,823 31,275 2,098	4,337 739 607 77 (11,421) 3,130 1,519 (7,259) 2,903 (4,679) 1,079	\$ 4,3: \$ 5 \$ 75 \$ 66 \$ 75 \$ 11.42 \$ 3,15 \$ 1,51 \$ (7,25 \$ 2,90 \$ (4,67 \$ 1,07
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance Accounting Fees Payroll Preparation Fees Advertising	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596	4,266 4,837 4,283 477 44,803 19,163 5,347 5,320 15,441 28,750	739 607 77 2,493 7,454 1,619 (359 12,285 (2,154	4,266 4,837 - 4,283 4,77 58,717 23,467 5,347 12,220 24,823 31,275 2,098	4,337 	\$ 4,32 \$ 5 \$ 75 \$ 76 \$ 76 \$ 11,42 \$ 3,15 \$ 1,65 \$ 17,25 \$ 2,90 \$ (4,67 \$ 1,07 \$ 73 \$ 73
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance Accounting Fees Payroll Preparation Fees Advertising Staff Transportation Profit, If Applicable (Max of 2.5% of Ed Costs)	S S S S S S S S S S S S S S S S S S S	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596 3,177	4,266 4,837 4,283 477 44,803 19,163 5,347 5,320 15,441 28,750 2,098	739 607 77 2,493 7,454 1,519 (359 12,285 (2,154 1,079	4,266 4,837 4,283 4,77 58,717 23,487 5,347 12,220 24,823 31,275 2,098	4,337 	\$ 4,33 \$ 5 \$ 73 \$ 66 \$ 77 \$ (11.44 \$ 3,13 \$ 1,61 \$ (7.25 \$ 2,90 \$ (4,67 \$ 1,07 \$ 1,07 \$ 73
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance Accounting Fees Payroll Preparation Fees Advertising Staff Transportation Profit, If Applicable (Max of 2.5% of Ed Costs)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596 3,177 738	4,266 4,837 4,283 477 44,803 19,163 5,347 5,320 15,441 28,750 2,098	739 607 77 2,493 7,454 1,619 (359 12,285 (2,154 1,079 738	4,266 4,837 4,283 477 58,717 23,487 5,347 12,220 24,823 31,275 2,098	4,337 739 607 77 (11,421) 3,130 1,519 (7,259) 2,903 (4,679) 1,079 738	\$ 4,32 \$ 5 \$ 75 \$ 76 \$ 76 \$ 11,42 \$ 3,15 \$ 1,65 \$ 17,25 \$ 2,90 \$ (4,67 \$ 1,07 \$ 73 \$ 73
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Citeaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance Accounting Fees Payroll Preparation Fees Advertising Staff Transportation Profit If Applicable (Max of 2.5% of Ed Costs) Support Indirect Costs PROVIDER PROGRAM TOTALS	5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596 3,177 738	4,266 4,837 4,283 477 44,803 19,163 5,347 5,347 5,320 15,441 28,750 2,098	739 607 77 2,493 7,454 1,519 (359 12,285 (2,154 1,079 738	4,266 4,837 4,283 477 58,717 23,487 5,347 12,220 24,823 31,275 2,098	4,337 739 607 77 (11,421) 3,130 1,519 (7,259) 2,903 (4,679) 1,079 738 -	\$ 4,3: \$ 75 \$ 75 \$ 160 \$ 3,1: \$ 1,6: \$ 1,6: \$ 2,90 \$ (4,67 \$ 1,07 \$ 73 \$ 5
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Citeaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance Accounting Fees Payroll Preparation Fees Advertising Staff Transportation Profit, If Applicable (Max of 2.5% of Ed Costs) SUBCOST, Applicable (Max of 2.5% of Ed Costs) FROVIDER PROGRAM TOTALS Total Cost	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596 3,177 738 -	4,266 4,837 4,283 477 44,803 19,163 5,347 5,347 5,320 15,441 28,750 2,098	739 607 77 2,493 7,454 1,519 (359 12,285 (2,154 1,079 738	4,266 4,837 4,283 477 58,717 23,487 5,347 12,220 24,823 31,275 2,098	4,337 739 607 77 (11,421) 3,130 1,519 (7,259) 2,903 (4,679) 1,079 738 -	\$ 4,3: \$ 75 \$ 75 \$ 76 \$ 11.42 \$ 3,1: \$ 1,6: \$ (7.25 \$ 2,90 \$ (4,67 \$ 1,07 \$ 73 \$ 5
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Citeaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance Accounting Fees Payroll Preparation Fees Advertising Staff Transportation Profit If Applicable (Max of 2.5% of Ed Costs) Support Indirect Costs PROVIDER PROGRAM TOTALS	S	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596 3,177 738 	4,266 4,837 4,283 477 44,803 19,163 5,347 5,320 15,441 28,750 2,098 \$ 272,160 \$ 960,045	739 607 77 2,493 7,454 1,519 (359 12,285 (2,154 1,079 738 \$ 104,829 \$ 214,249	\$ 369,037	4,337 739 607 77, (11,421) 3,130 1,519 (7,259) 2,903 (4,679) 1,079 738 \$ 7,952 \$ 79,319	\$ 4,3: \$ 75 \$ 75 \$ 60 \$ 1,61 \$ 1,61 \$ 2,96 \$ 4,67 \$ 1,07 \$ 1,07 \$ 73 \$ 5 \$ 7,95 \$ 7,95
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance Accounting Fees Payroll Preparation Fees Advertising Staff Transportation Profit, If Applicable (Max of 2.5% of Ed Costs) SUPPORT OF ADJUST AUTHORITY SUPPORT INDIVIDUAL COST PROVIDER PROGRAM TOTALS Classroom Meterials and Supplies Classroom Meterials and Supplies Classroom Meterials and Supplies	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596 3,177 738 376,989	4,266 4,837 4,283 477 44,803 19,163 5,347 5,347 5,320 15,441 28,750 2,098	739 607 77 2,493 7,454 1,519 (359 12,285 (2,154 1,079 738 \$ 104,828 \$ 214,249 (6,035) (1,000)	4.266 4.837 4.283 4.77 58.717 23.487 12.220 24.823 31.275 2.098 \$ 368,037	4,337 739 607 77 (11,421) 3,130 1,519 (7,259) 2,903 (4,679) 1,079 738 \$ 7,952	\$ 4,3: \$ 75 \$ 76 \$ 66 \$ 73 \$ 11.42 \$ 3,1: \$ 1.65: \$ 77.25 \$ 2.90 \$ (4.67 \$ 1.07 \$ 73 \$ 1.55: \$ 7.25 \$ 3,1: \$ 7.25 \$ 2.90 \$ 7,95: \$ 7,95: \$ 7,95:
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance Accounting Fees Payroll Preparation Fees Advertising Staff Transportation Profit, If Applicable (Max of 2.5% of Ed Costs) Support of Apgre/Administrative Support Insurance Revolution Fees Advertising Staff Transportation Profit, If Applicable (Max of 2.5% of Ed Costs) Support of Apgre/Administrative Support Insurance Revolute Regerman Totals Classroom Meterials and Supplies Classroom Meterials and Supplies Classroom Meterials and Supplies	S	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596 3,177 738 	4,266 4,837 4,283 477 44,803 19,163 5,347 5,320 15,441 28,750 2,098 \$ 272,160 \$ 960,045	739 607 77 2,493 7,454 1,519 (359 12,285 (2,154 1,079 738 \$ 104,828 \$ 214,249 (6,035) (1,000)	4.266 4.837 4.283 4.77 58.717 23.487 12.220 24.823 31.275 2.098 \$ 368,037	4,337	\$ 4,3: \$ 75 \$ 76 \$ 66 \$ 7,3 (11.42 \$ 3,1: \$ 1,6:1 \$ 7,2:5 \$ 2,90 \$ (4,67 \$ 1,07 \$ 73 \$ 5 \$ 7,95: \$ 79,3:1
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance Accounting Fees Payroll Preparation Fees Advertising Staff Transportation Profit If Applicable (Max of 2.5% of Ed Costs) Subcala of Abnue Administrative Support Inplindirect Costs PROVIDER PROGRAM TOTALS Total Cost DIETRIC FABRUSTMENTS of Other Approved Bud- Classroom Meterials and Supplies ClassroomTechnology Tield Trips W/Transportation Total Cost ClassroomTechnology Tield Trips W/Transportation	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596 3,177 738 376,989	4,266 4,837 4,283 477 44,803 19,163 5,347 5,320 15,441 28,750 2,098	739 607 77 2,493 7,454 1,619 (359 12,285 (2,154 1,079 738	4,266 4,837 4,283 4,77 58,717 23,487 1,220 24,823 31,275 2,098 \$ 369,037 \$ 1,094,975	4,337	\$ 4,32 \$ 5 \$ 75 \$ 75 \$ 11.42 \$ 3,15 \$ 1,50 \$ 17.25 \$ 2,90 \$ (4,67 \$ 7.3 \$ 7.3 \$ 7.95 \$ 7,95 \$ 7,95
INDIRECT COSTS Rent, Mortgage, Other Space Costs Office Equipment>\$2000 and Repair Office Materials and Supplies Food-Related Paper Supplies Cleaning Supplies Food for Meetings Building/Grounds Maintenance/Repair Utilities Telecommunications Services Security Insurance Accounting Fees Payroll Preparation Fees Advertising Staff Transportation Profit If Applicable (Max of 2.5% of Ed Costs) Subcala of Abnue Administrative Support Inplindirect Costs PROVIDER PROGRAM TOTALS Total Cost DIETRIC FABRUSTMENTS of Other Approved Bud- Classroom Meterials and Supplies ClassroomTechnology Tield Trips W/Transportation Total Cost ClassroomTechnology Tield Trips W/Transportation	\$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	4,266 4,837 739 4,890 554 47,296 26,617 6,866 4,961 27,726 26,596 3,177 738 376,989	4,266 4,837 4,283 477 44,803 19,163 5,347 5,320 15,441 28,750 2,098	739 607 77 2,493 7,454 1,619 (359 12,285 (2,154 1,079 738 \$ 104,829 \$ 214,249 (5,035) (1,000) (1,500)	4,266 4,837 4,283 4,77 58,717 23,487 1,220 24,823 31,275 2,098 \$ 369,037 \$ 1,094,975	\$ 7,952 \$ 79,319 \$ 739 607 77 (11,421) 3,130 1,519 (7,259) 2,903 (4,679) 1,079 738 \$ 7,952 \$ 7,952 \$ 7,952	\$ 4,32 \$ 5 \$ 75 \$ 75 \$ 11.42 \$ 3,15 \$ 1,50 \$ 17.25 \$ 2,90 \$ (4,67 \$ 7.3 \$ 7.3 \$ 7.95 \$ 7,95 \$ 7,95