



# FLORIDA DEPARTMENT OF EDUCATION

## Office of Inspector General



June 2012

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## Audit of Mentoring Programs—Take Stock in Children

### Executive Summary

We examined the integrity of expenditures for six Take Stock in Children local mentoring programs. Our analysis revealed that, with minor exceptions, expenditures were allowable and made in accordance with program guidelines. No material omissions, misstatements, or errors were found in our review of these programs.

### Background

Each year, the Florida Legislature appropriates funds to the Department of Education (Department) for Mentoring and Student Assistance Initiative grants. The purpose of the grants is to improve the performance of at-risk students in struggling schools by providing comprehensive services aimed to improve academic achievement, to increase personal responsibility and community involvement, to discourage the use of drugs, alcohol and other delinquent behavior, and to reduce dropout rates.

In fiscal year (FY) 2010-2011, five mentoring providers were awarded over \$14 million in funding as provided in Specific Appropriation 85 from the State General Revenue Fund: Best Buddies, Take Stock in Children, Big Brothers/Big Sisters, the Florida Alliance of Boys and Girls Clubs, and the YMCA State Alliance.

Our audit focused on Take Stock in Children (TSIC) which received \$4 million. TSIC is headquartered in Miami and receives state funding which it then sub-awards to local programs (sub-recipients). Nearly 7,000 students in 713 public schools in 54 of 67 counties receive mentoring

services throughout the state. For FY 2010-2011, \$3,312,680 was disbursed to local programs with the remaining \$687,320 supporting the program's operating budget. Legislative funding received by local TSIC programs represents only a portion of the total funding; each organization also receives additional funds from other sources. Local level programs are managed by various organizations including colleges and educational foundations.

Established in 1995 as a non-profit organization, TSIC aims to help at-risk children escape the cycle of poverty through education. TSIC is founded on the principle that children thrive academically when given extensive support, motivation, and accountability. TSIC provides volunteer mentors, student advocates, tutoring, and community support to low-income children, targeting those between sixth and ninth grades. Mentoring services are provided at many schools within each county. TSIC tracks the progress of its students through their transition to college. One primary goal of the program is to enhance the likelihood of college preparation, matriculation, and attendance with eventual successful entrance into the workforce. All participating students are required to sign a contract committing to maintain good grades, to abstain from drug and alcohol use, to remain crime-free, and to meet weekly with their mentor for at least one hour. Upon program completion, college and vocational-technical scholarships are provided to eligible students through a public-private fundraising model.

## Scope & Objectives

The objectives of this audit were to determine whether sub-recipients 1) spent state funds appropriately and 2) accurately reported financial data to the Department. The scope of the audit included a desktop review of TSIC expenditures for the second quarter of FY 2010-2011 for the following six local programs: Indian River State College Foundation, Public Education Foundation of Marion County, Escambia County Public Schools Foundation, St. Johns County Education Foundation, Alachua County Public School Foundation, and College for Kids, Inc. DBA TSIC of Palm Beach County. See Appendix A for detailed expenditure information for each organization. Our sample was selected at random using statistical methods.

### Summary Results of Sub-recipient Reviews

#### College for Kids, Inc. DBA TSIC of Palm Beach County

College for Kids, Inc. of Palm Beach County (College for Kids) was awarded nearly \$27,000 in legislative funding for the quarter ended December 31, 2010. Program expenditures primarily included salary and benefit outlays as well as office supplies, printing, contracted services, professional and technical services, mentoring & recruitment of mentor costs, travel, and postage. Evidence was found of unallowable expenditures in one instance. College for Kids charged the TSIC fund for cell phone services received by AT&T Mobility and MetroPCS during September and October 2010. The TSIC application states that personal digital assistants such as cell phones cannot be purchased with project funds, including the costs to support such devices. A total of \$1,000 in unallowable purchases was paid by the local program using state funds.

The Comptroller's Office is responsible for approving all TSIC program expenditures and for determining the allowability of program purchases. We were notified by staff in the Comptroller's Office that TSIC had compensating approved expenditures in excess of the amount that was paid to College for Kids. Additionally, unallowable expenditures represent a small fraction of the total expenditures. Sub-recipients may receive up to 25% of the total award as an advance each quarter provided that at least 90% of the amount advanced for the prior period is supported by the appropriate documentation. Supporting documentation included receipts, invoices, and timesheets. Staff members in the Comptroller's Office have been effective in their overall oversight of the program, especially given the tremendous volume of documentation under scrutiny.

#### Other TSIC Local Programs

We also examined program expenditures for Indian River State College Foundation, Public Education Foundation of Marion County, Escambia County Public Schools Foundation, St. Johns County Education Foundation, and the Alachua County Public School Foundation. There were no material findings. All expenditures reported to the Department were determined to be accurate and consistent with the supporting documentation submitted by each program.

## Methodology

This audit was conducted in accordance with *The International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors. The audit team achieved these audit standards by:

- Researching and reviewing applicable laws, statutes, rules, policies, and guidance;
- Conducting interviews with program staff and staff in FDOE's Comptroller's Office;
- Conducting a comprehensive desk-top review of supporting financial documentation provided by the Comptroller's Office for each local entity; and
- Reviewing the Take Stock in Children application and associated documentation from program staff.

## Closing Comments

The Office of the Inspector General would like to thank Department management and staff for their assistance during the course of this audit.

## Appendix A—

Organization	Legislative Funding Allocation for 2nd Quarter FY 2010-2011	Salary Expenditures	Non-salary Expenditures	Types of Non-salary Expenditures	Total Allowable Expenditures (Salary + Non-salary)	Amount of Disbursement (Lesser of Quarterly Allocation or Allowable Expenditures)
Indian River State College Foundation	\$34,417.75	\$34,409.78	\$5,580.62	Benefits	\$39,990.40	\$34,417.75
Public Education Foundation of Marion County	\$16,256.00	\$17,807.22	\$592.24	Benefits, Contracted Services/Professional & Technical Services	\$18,399.46	\$16,256.00
Escambia County Public Schools Foundation	\$13,932.75	\$14,500.02	\$299.49	Travel	\$14,799.51	\$13,932.75
St. Johns County Education Foundation	\$11,147.50	\$10,857.55	\$143.58	Office Supplies	\$11,001.13	\$11,001.13
Alachua County Public School Foundation	\$18,263.96	\$21,376.17	\$748.80	Office Supplies, Printing, Travel	\$22,124.97	\$18,263.96
College for Kids, Inc. DBA TSIC of Palm Beach County	\$26,774.75	\$11,430.51	\$15,613.24	Benefits, Office Supplies, Printing, Contracted Services/Professional & Technical Services, Phone Services, Recruitment of Mentors, Travel, Postage	\$27,043.75	\$26,774.75

County	Total TSIC Funding Allocation for FY 2010-2011
Alachua	<b>\$66,730</b>
Escambia	<b>55,731</b>
Indian River	<b>137,671</b>
Marion	<b>65,024</b>
Palm Beach	<b>107,099</b>
St. Johns	<b>44,590</b>