



MARYLAND OFFICE OF THE
INSPECTOR GENERAL FOR EDUCATION

Richard P. Henry
Inspector General

Yvonne K. Brooks, Esq.
Deputy Inspector General

November 17, 2023

MEMORANDUM

SERVED VIA EMAIL: mbedell@aacps.org

To: Dr. Mark T. Bedell, Ed.D.
Superintendent
Anne Arundel County Public Schools
2644 Riva Road
Annapolis, Maryland 21401

RE: OIGE Case: 22-0014-I

Dear Superintendent, Bedell,

The Maryland Office of the Inspector General for Education (OIGE) has concluded its investigation of the Anne Arundel Public School system. Our investigative findings are included in the attached final report.

Please feel free to contact my office if you have any questions or concerns.

Respectfully,

Richard P. Henry
Inspector General

Enclosure

cc: Joanna Bache Tobin, President – Anne Arundel County Board of Education
Peter Smith, President, Anne Arundel County Council
Members At Large, Anne Arundel County Board of Education



MARYLAND OFFICE OF THE INSPECTOR GENERAL FOR EDUCATION



Investigative Report Summary

OIGE Case 22-0014-I

Issued: November 17, 2023



MARYLAND OFFICE OF THE
INSPECTOR GENERAL FOR EDUCATION
Richard P. Henry, Inspector General



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To the Citizens of Maryland and Anne Arundel County,

The General Assembly, at its First Session after the adoption of the Maryland Constitution, established throughout the State a thorough and efficient System of Free Public Schools and shall provide by taxation, or otherwise, for their maintenance.¹ The Maryland Office of the Inspector General for Education (OIGE) plays a vital role in safeguarding State funds provided to local school systems. Our primary mission is to prevent and detect fraud, waste and abuse, and educational mismanagement within School Boards, the Maryland State Department of Education (MSDE), the Interagency Commission of School Construction (IAC), the twenty-four (24) local education agencies (LEA), and non-public schools who receive State funding throughout the State of Maryland. Except under limited exceptions, the Inspector General may not disclose the identity of the source of a complaint or information provided.

Executive Summary

The OIGE received a complaint alleging that a former Anne Arundel County Public Schools (AACPS) Community School Coordinator mismanaged program funds by compensating a family member. The family member allegedly worked at program functions, spent program funds on personal items, and failed to budget for essential purchases. The complaint further alleged the coordinator improperly used program funds to purchase large ticket items, such as furniture for an elementary school entranceway, instead of material for related program activities.

Background

The Blueprint for Maryland's Future (Blueprint) combines dedicated financing and policies to raise Maryland's early childhood, primary, and secondary education systems to international standards. The Blueprint's goals are to improve the quality and equity of Maryland's education system so that every Maryland student receives a “world-class education” that prepares them for success in college and career, regardless of background.

The Blueprint for Maryland’s Future grants local education agencies (LEAs) funding through a Concentration of Poverty Grant. A school designated within an LEA as a community school in Maryland may receive funding from Concentration of Poverty Grants. The grants provide funding

¹ Constitution of Maryland, Article VIII, Education, Section 1

for wraparound services² and are based on a formula. The funds are distributed yearly to qualifying school systems. (Note: The 4-year average of the percentage of the school's students living in poverty, excluding the 2020-2021 school year, as determined by compensatory education enrollment, is used to determine eligibility. This is the number of pupils who receive free or reduced-price meals.)

Investigation

The OIGE investigation revealed that the coordinator's family member(s) volunteered their time and services at an elementary school. Additionally, the OIGE could not substantiate the coordinator's use of program funds for personal or improper purchases. However, the investigation revealed several purchases in 2022 were made without supporting documentation. The coordinator did admit to not maintaining an organized method to track receipts during SY 2021-22 but believed they retained most of the receipts in their school office. Our review of the program did indicate a lack of required record-keeping and proper training of coordinator personnel.

This investigation's elementary school (school) was designated as a Community School in School Year (SY) 2021-22 (SY2021-22). In SY 2022-23, the school received \$393,060.00 from the Concentration of Poverty Grant. The school spent only \$378,442.59, leaving a balance of \$14,617.41 in its end-of-the-year budget. The OIGE found that the SY 2021-22 budget permitted AACPS to carry over this balance to the SY 2022-23 budget. The SY2023-24 budget did not allow AACPS to carry over any remaining balance.

The investigation further found that the guidance the Maryland State Department of Education (MSDE) provided to LEAs regarding managing and overseeing the Concentration of Poverty funding was vague. While Maryland Code, Education Article §9.9-101(e) defines what should or could be considered a wraparound service(s), its overall interpretation is left to the individual school systems and program coordinators.

Findings

1. Compensation of Relatives with Program Funds

The OIGE could not substantiate the allegation that the coordinator did not violate AACPS' policy³ that prohibited professional working relationships, such as a parent, from their children's primary or secondary supervision. Furthermore, the OIGEs reviewed the elementary school funds and a list of AACPS personnel who received reimbursement from program funds. Our review indicated that the family member(s) in this case were not compensated for their time.

² Maryland Code, Education Article §9.9-101(e), Wraparound Services Mean

³ Board of Education of Anne Arundel County (2008). *AACPS Board Policies & Regulations: GAF-RA Nepotism*. <https://aacpsschools.org/aacpsboardpolicies/wp-content/uploads/2023/02/GAF-RA-Nepotism-regulation.pdf>.

2. Personal Use of and Improper Expenditures of Program Funds

The OIGE could neither substantiate nor unsubstantiate the allegation that the coordinator used program funds or utilized their AACPS-issued Purchase Card (P-Card) for personal use in violation of the AACPS Procurement Card Purchase Procedure due to missing documentation.

The OIGE conducted a financial analysis of the coordinator's P-card bank statements and compared them to supporting purchase receipts. The OIGE reviewed 406 transactions. The overall number of purchases was equal to \$109,221.01. Our analysis of the bank statements and purchases determined that 44 purchases for \$10,433.87 did not contain supporting documentation.

The coordinator felt that grant funds could be spent on items to improve a student's learning environment. Items purchased by the coordinator included cookware supplies and a guitar provided to a student as an award for perfect attendance. During our review, the coordinator stated that they felt the items purchased and distributed to students fell within the definition and guidance governing wraparound services. The OIGE interviewed an AACPS Senior Accountant who said they regularly reviewed the Excel spreadsheets completed by the coordinator and did not observe any purchases they felt were inappropriate or program prohibited. The OIGE could not find that the coordinator purchases, based on the guidance provided by AACPS and MSDE, did not meet the definition of "wraparound services."

The OIGE's review did indicate the purchases and corresponding retailers identified in the bank statements were consistent with other documented purchases made by the coordinator. However, the OIGE could not identify the coordinator's purchased items without the supporting documentation.

3. Training and Support

The OIGE found that the AACPS utilizes the Advantage System to track all purchase orders (PO). Our review found that coordinators were not trained in the system and could not complete POs personally. Coordinators rely on the Financial Secretaries (FS) assigned to their Community School to make requested purchases and complete the appropriate PO documentation.

AACPS' Procurement Card Procedure also requires a PO to be completed for purchases over \$1,000.00. Employees may utilize their P-card for purchases up to \$1,000.00 without an exemption, subject to a supervisory approval process. The OIGE could not confirm that AACPS provided FS with an official directive that informed them of their additional duties or responsibilities.

The OIGE was advised that while other federal and state grants allow funds for oversight, this program does not, and that is the "crux of the problem." Furthermore, the program must be managed by the coordinator, who is not an accountant. Coordinators are not familiar with procurement rules or general procurement laws.

Finally, the OIGE was informed that the AACPS had made several inquiries to MSDE about the program but was advised that the law does not allow MSDE to guide how the school system spends its Concentration of Poverty funds.

Recommendations

- 1) The OIGE recommends that AACPS continue the implementation of its new procedures for reviewing and approving program purchases.
- 2) MSDE should provide additional guidance to LEAs regarding acceptable wraparound services.
- 3) The OIGE recommends that AAPCS have qualified staffing available for program coordinators to oversee budgeting and expenditure use of program funding to designated Community School Grant.

The OIGE understands that information may be changed or updated after an investigation has been completed. The OIGE appreciates the cooperation Anne Arundel County Public School and the Internal Investigations Unit members provided during this investigation.

Respectfully,



Richard P. Henry
Inspector General

cc: Joanna Bache Tobin, President – Anne Arundel County Board of Education
Peter Smith, President, Anne Arundel County Council
Members At Large, Anne Arundel County Board of Education