

Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

**SUBJECT: INVESTIGATION OF ALLEGATIONS OF IMPROPRIETY MATER
ACADEMY CHARTER SCHOOL(S) AND ACADEMICA
CORPORATION**

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

**LINK TO DISTRICT
STRATEGIC PLAN: ENSURE ADEQUATE AND EFFECTIVE CONTROLS AND
OPERATIONAL EFFICIENCY**

This report was initially presented to the Audit Committee at its special meeting of November 15, 2006. They deferred the item to enable legal representatives of Mater Academy Charter School(s) and Academica Corporation to provide the Audit Committee with more comprehensive explanations for the issues raised in the report. Upon review of the revised responses at its January 30, 2007 meeting, the School Board Audit Committee sustained the findings of impropriety of certain lease transactions involving charter schools currently managed by Academica, the lack of transparent disclosure of the cross ownership of the properties in question, the lack of justification for all Academica managed schools' exclusive engagement of the same CPA firm and a questionable loan to Somerset Academy, a Broward County Charter School. The Audit Committee recommended transmitting the report to the School Board.

The Office of Management and Compliance Audits continues to work closely with the State Attorney's Office in their criminal investigation.

Copies this report have been placed on file in the Office of the Recording Secretary to the School Board and in the Citizen Information Center. Additional copies will be provided upon request.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, receive and file the Investigation of Allegations of Impropriety Mater Academy Charter School(s) and Academica Corporation