

The Palm Beach Post

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Root out routine corruption

Is it too much to suggest that the Palm Beach County School District's discovery that employees improperly charged items to district purchasing cards is yet another example of wrongdoing in "Corruption County"?

Not at all. The alleged wrongdoing might not be as spectacular in terms of self-profit as the crimes that sent three county commissioners and two West Palm Beach commissioners to prison, but it probably is more typical of the kind of corruption that goes on day-in and day-out in public agencies. Also, the amount of taxpayer money is not small. There were 80,550 transactions using the so-called "P-Cards" in 2008, resulting in expenditures of more than \$16.6 million.

Certainly the findings of the district's audit, which revealed problems with expenditures worth several hundred thousand dollars, provide more incentive for the school district to join in an overall effort to attack corruption in the county, including creation of an independent inspector general. Problems with the P-Cards follow other problems in the district's financial operations. As a preliminary report notes, "during the past five years, noncompliance was found in the areas of cash collection, community school program, leasing of school facilities, child care program and payroll transactions."

The district's internal audit resulted in the referral of activity at one, unnamed school to the state attorney's office for possible prosecution. It's the second time in recent months that misuse of the credit cards has raised the possibility of criminal charges. The district demoted Jonathan Prince, who had been principal at Palm Beach Gardens High School, after he agreed to the move to avoid prosecution. The school at which the latest allegedly fraudulent activity

Records missing for \$220,000 in school purchases.

took place will be identified after the investigation is complete.

Along with outright fraud, the district audit found that three schools — Citrus Cove Elementary near Boynton Beach, Rosenwald Elementary in South Bay and Lake Shore

Middle in Belle Glade — "lost" most or all records of P-Card transactions totaling \$220,373.01. As the report notes, drily, "Without transaction records, we were not

able to ascertain whether P-Card transactions at the three schools were appropriate and in compliance with District's rules."

Speaking of those rules, one excuse for the misspending is that the district did not properly train principals and staff to understand what is allowed. OK, so use these embarrassments as a reason to clear up the confusion. But how could employees not understand the spirit of the rule placing a \$1,000 limit on spending for a single invoice? "Our audit found that seven schools split certain purchases into multiple invoices in order to avoid the \$1,000 single-purchase limit." Shades of the attempt two decades ago to hide change orders related to school construction.

Obviously, criminal activity should draw the stiffest penalties. Lost records would be next, followed by willful misinterpretation of the rules. If there's a bright side, it's that district officials caught these problems and followed up with a closer look after finding the initial problems.

The district's actions are part of the cure for "Corruption County." Now, the district needs to join the larger effort.

Story shows why all public agencies need to be under review by an inspector general.