



**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

Orange County Public Schools



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Independent Accountants' Report
On Applying Agreed-Upon Procedures

School Board of Orange County, Florida
 Orlando, Florida

We have performed the procedures enumerated below, which were agreed to by Orange County Public Schools (OCPS) (the specified party) on the billing, receipts, and attendance records of KCE Champions LLC ("Kindercare" or "Provider") relating to the outsourcing of the before and after school and full day service care programs for Orange County Public Schools from July 2019 through June 2020. Kindercare's management is responsible for the billing, cash receipts, and attendance records. The sufficiency of these procedures is solely the responsibility of OCPS. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and associated findings are as follows:

<i>Step</i>	<i>Procedure Description</i>	<i>Findings</i>
1.	Obtain the following documents from OCPS: <ul style="list-style-type: none"> a. Copy of the contract between the School Board of Orange County, Florida and Kindercare. b. Copies of the School Age Services Attendance and Revenue Report for 2019 – 2020 for the months of July 2019 through June 2020 for Kindercare for each school where the Provider operates a before and after school and full day service care program. c. Approved tuition and other fee schedule. 	Documents obtained without exception.
2.	Haphazardly select a sample of three months and perform the following: <ul style="list-style-type: none"> a. Obtain copies of daily attendance records from Kindercare. 	The three months selected were October 2019, November 2019, and January 2020. <ul style="list-style-type: none"> a. All daily attendance records were obtained.

<i>Step</i>	<i>Procedure Description</i>	<i>Findings</i>
	<p>b. Compare the number of students in attendance from the daily attendance records obtained in step 2a above to the number of students in attendance as reported on the corresponding School Age Services Attendance and Revenue Report for 2019 – 2020 obtained in step 1b.</p>	<p>b. See Exhibit A for the results of applying this procedure.</p>
<p>3.</p>	<p>For each of the three months selected in step 2 above, haphazardly select 5 students from the daily attendance records obtained in step 2a for each school and perform the following:</p> <p>a. Obtain billing and payment history reports for each student for that month.</p> <p>b. Compare the fee charged to the student for that month to the approved tuition and other fee schedule obtained in step 1c.</p> <p>c. For students whose tuition and fees were paid through a scholarship, examine the student’s registration form for evidence of scholarship approval.</p>	<p>a. Kindercare provided billing and payment reports for each student selected.</p> <p>b. The fee charged to each selected student was the same as the fee in the approved tuition and other fee schedule other than the students noted in Exhibit B.</p> <p>c. Out of the 27 students who received a discount of fees, there was no evidence of approval for 4. Two of these students received a 10% military discount; however, this discount was not listed on the approved tuition and other fee schedule. In addition, there were four students noted who did not receive the multi-session discount for attending the morning and afternoon program.</p> <p>Area Managers verify if a student is eligible for a scholarship and then request that a student’s status be changed to a scholarship student to the billing team in the corporate office of Kindercare. This can be done verbally or in writing so there is not always written evidence of the approval.</p>

<i>Step</i>	<i>Procedure Description</i>	<i>Findings</i>
	d. For students whose tuition and fees were paid through a grant, examine the grant document showing the selected student was included in the grant.	d. None of the selected students had tuition or fees paid through a grant.
4.	Perform the following procedures for each month from July 2019 through June 2020: a. Obtain a cash receipt report for each month for each school. b. Compare the amount of cash receipts on the cash receipt reports obtained in step 4a to the amount included as gross revenue from families on the School Age Services Attendance and Revenue Report for 2019 – 2020 obtained in step 1b.	a. Reports obtained without exception. b. See Exhibit C for the results of applying this procedure.
5.	Calculate the total gross cash receipts collected by Kindercare from individuals and from third parties for the period of July 2019 through June 2020 by adding the totals from the monthly cash receipt reports obtained in step 4a.	The total gross cash receipts collected from individuals was \$2,365,939.22. There were no cash receipts from third parties.
6.	Calculate the portion of funds earned by OCPS from July 2019 through June 2020 by multiplying 13% by the total gross cash receipts collected by Kindercare from individuals in step 5 plus 3% of the total gross cash receipts collected by Kindercare from third parties in step 5.	See Exhibit D for the results of applying this procedure.
7.	Calculate the portion of funds forwarded to OCPS from July 2019 through June 2020 by adding the total remittance amount noted on the School Age Services Attendance and Revenue Report for 2019 – 2020 for the months of July 2019 through June 2020 obtained in step 1b.	See Exhibit D for the results of applying this procedure.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the billing, cash receipts, and attendance records. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of Orange County Public Schools and is not intended to be and should not be used by anyone other than the specified party.

Cam, Riggs & Ingram, L.L.C.

Orlando, Florida
May 13, 2021

EXHIBIT A
Students in Attendance

<i>School</i>	<i>Month</i>	<i>Attendance from daily attendance records</i>	<i>Attendance from School Age Services Attendance and Revenue Report for 2019-2020</i>	<i>Difference</i>
Arbor Ridge K-8				
	October 2019	#	#	#
	November 2019	#	#	#
	January 2020	#	#	#
Brookshire Elementary				
	October 2019	397	393	4
	November 2019	339	296	43
	January 2020	360	361	(1)
Endeavor Elementary				
	October 2019	675	703	(28)
	November 2019	507	497	10
	January 2020	702	709	(7)
Engelwood Elementary				
	October 2019	110	152	(42)
	November 2019	99	101	(2)
	January 2020	107	152	(45)
Forsyth Woods Elementary				
	October 2019	358	443	(85)
	November 2019	250	425	(175)
	January 2020	299	359	(60)
Killarney Elementary				
	October 2019	179	344	(165)
	November 2019	123	261	(138)
	January 2020	209	322	(113)
Lake Como School				
	October 2019	645	638	7
	November 2019	485	465	20
	January 2020	^	^	^
Lancaster Elementary				
	October 2019	134	173	(39)
	November 2019	108	116	(8)
	January 2020	68	126	(58)

EXHIBIT A
Students in Attendance

<i>School</i>	<i>Month</i>	<i>Attendance from daily attendance records</i>	<i>Attendance from School Age Services Attendance and Revenue Report for 2019-2020</i>	<i>Difference</i>
Little River Elementary				
	October 2019	310	314	(4)
	November 2019	242	235	7
	January 2020	318	314	4
Pinar Elementary				
	October 2019	137	220	(83)
	November 2019	165	204	(39)
	January 2020	219	239	(20)
Prairie Lake Elementary				
	October 2019	417	406	11
	November 2019	325	315	10
	January 2020	423	414	9
Sadler Elementary				
	October 2019	145	163	(18)
	November 2019	117	120	(3)
	January 2020	133	156	(23)
Sun Blaze Elementary				
	October 2019	400	701	(301)
	November 2019	611	652	(41)
	January 2020	396	697	(301)
Three Points Elementary				
	October 2019	193	221	(28)
	November 2019	154	175	(21)
	January 2020	205	216	(11)
Union Park Elementary				
	October 2019	515	515	-
	November 2019	364	370	(6)
	January 2020	534	520	(14)
Water Spring Elementary				
	October 2019	1,329	2,029	(700)
	November 2019	969	1,558	(589)
	January 2020	1,308	756	552

EXHIBIT A
Students in Attendance

<i>School</i>	<i>Month</i>	<i>Attendance from daily attendance records</i>	<i>Attendance from School Age Services Attendance and Revenue Report for 2019-2020</i>	<i>Difference</i>
Wedgefield K-8				
	October 2019	521	507	14
	November 2019	416	384	32
	January 2020	405	496	(91)
Westbrooke Elementary				
	October 2019	581	664	(83)
	November 2019	511	505	6
	January 2020	643	832	(189)
Wetherbee Elementary				
	October 2019	1,045	957	88
	November 2019	718	721	(3)
	January 2020	924	966	(42)
Zellwood Elementary				
	October 2019	352	345	7
	November 2019	288	263	25
	January 2020	154	386	(232)

This program no longer operated after August 2019.

^ This program no longer operated after December 2019.

EXHIBIT B
Differences in Tuition Charged and Approved Tuition and Other Fee Schedule

<i>School</i>	<i>Student</i>	<i>Discount received</i>	<i>Reason for difference according to Kindercare</i>
Endeavor Elementary			
	Sample #28	50%	This student received a discount for having a parent who is a teacher at the school.
Forsyth Woods Elementary			
	Sample #47	50%	This student received a scholarship.
	Sample #50		This student did not receive the \$6 multi-session discount for two weeks during the month of October.
Killarney Elementary			
	Sample #61	50%	This student received a scholarship.
	Sample #63	50%	This student received a discount for having a parent who is a teacher at the school.
	Sample #65	50%	This student received a scholarship.
	Sample #66		This student did not receive the \$6 multi-session discount for one week during the month of November.
	Sample #73	50%	This student received a scholarship.
Lake Como School			
	Sample #79	10%	This student received a military discount.
Lancaster Elementary			
	Sample #99	50%	This student received a scholarship.
	Sample #101	50%	This student received a scholarship.
Little River Elementary			
	Sample #116	50%	This student received a discount for having a parent who is a teacher at the school; however, the student did not receive the \$6 multi-session discount for one week during the month of January.
	Sample #117		This student did not receive the \$6 multi-session discount for one week during the month of January.
Pinar Elementary			
	Sample #133	50%	This student received a scholarship.
Sadler Elementary			
	Sample #161	50%	This student received a scholarship.
Sun Blaze Elementary			
	Sample #176	50%	This student received a scholarship.
	Sample #179	50%	This student received a scholarship.

EXHIBIT B
Differences in Tuition Charged and Approved Tuition and Other Fee Schedule

<i>School</i>	<i>Student</i>	<i>Discount received</i>	<i>Reason for difference according to Kindercare</i>
Union Park Elementary			
	Sample #200	50%	This student received a discount for having a parent who is a teacher at the school.
Wedgefield K-8			
	Sample #229	50%	This student received a discount for having a parent who is a teacher at the school.
	Sample #232	50%	This student received a discount for having a parent who is a teacher at the school.
	Sample #236	50%	This student received a discount for having a parent who is a teacher at the school.
	Sample #238	50%	This student received a discount for having a parent who is a teacher at the school.
Westbrooke Elementary			
	Sample #244	100%	This student received a scholarship.
	Sample #245	50%	This student received a scholarship.
	Sample #253	50%	This student received a discount for having a parent who is a teacher at the school.
	Sample #255	100%	This student received a scholarship.
Wetherbee Elementary			
	Sample #270	10%	This student received a military discount.
Zellwood Elementary			
	Sample #281	50%	This student received a discount for having a parent who is a teacher at the school.
	Sample #285	50%	This student received a discount for having a parent who is a teacher at the school.

EXHIBIT C
Comparison of Cash Receipts from July 2019 through June 2020

<i>School</i>	<i>Total cash receipts from cash receipts reports</i>	<i>Total gross revenue from families from School Age Services Attendance and Revenue Report for 2019-2020</i>	<i>Difference</i>
Arbor Ridge K-8	\$ 14,801.20	\$ 12,808.40	\$ 1,992.80
Brookshire Elementary	\$ 125,501.17	\$ 127,741.08	\$ (2,239.91)
Endeavor Elementary	\$ 181,522.58	\$ 181,703.84	\$ (181.26)
Engelwood Elementary	\$ 35,741.52	\$ 36,881.32	\$ (1,139.80)
Forsyth Woods Elementary	\$ 76,678.70	\$ 78,274.70	\$ (1,596.00)
Killarney Elementary	\$ 74,615.60	\$ 77,688.33	\$ (3,072.73)
Lake Como School	\$ 125,615.54	\$ 130,821.82	\$ (5,206.28)
Lancaster Elementary	\$ 34,058.12	\$ 35,405.36	\$ (1,347.24)
Little River Elementary	\$ 91,271.12	\$ 91,077.11	\$ 194.01
Pinar Elementary	\$ 58,995.82	\$ 56,179.02	\$ 2,816.80
Prairie Lake Elementary	\$ 125,263.10	\$ 135,541.07	\$ (10,277.97)
Sadler Elementary	\$ 33,869.00	\$ 35,940.80	\$ (2,071.80)
Sun Blaze Elementary	\$ 190,833.40	\$ 177,918.39	\$ 12,915.01
Three Points Elementary	\$ 70,155.50	\$ 88,750.09	\$ (18,594.59)
Union Park Elementary	\$ 156,391.63	\$ 159,086.36	\$ (2,694.73)
Water Spring Elementary	\$ 213,500.52	\$ 212,139.20	\$ 1,361.32
Wedgefield K-8	\$ 162,663.00	\$ 163,808.30	\$ (1,145.30)
Westbrooke Elementary	\$ 201,372.29	\$ 204,229.18	\$ (2,856.89)
Wetherbee Elementary	\$ 296,062.29	\$ 302,096.03	\$ (6,033.74)
Zellwood Elementary	\$ 97,027.12	\$ 96,701.04	\$ 326.08
	\$ 2,365,939.22	\$ 2,404,791.44	\$ (38,852.22)

EXHIBIT D
 Calculation of Funds Earned by OCPS and Remit Amounts Reported to OCPS
 from July 2019 through June 2020

<i>School</i>	<i>Total cash receipts from cash receipts report</i>	<i>Funds earned by OCPS (13% of cash receipts from cash receipts reports)</i>	<i>Total remit amount from School Age Services Attendance and Revenue Report for 2019-2020</i>
Arbor Ridge K-8	\$ 14,801.20	\$ 1,924.16	\$ 1,665.09
Brookshire Elementary	\$ 125,501.17	\$ 16,315.15	\$ 16,606.34
Endeavor Elementary	\$ 181,522.58	\$ 23,597.94	\$ 23,621.50
Engelwood Elementary	\$ 35,741.52	\$ 4,646.40	\$ 4,794.57
Forsyth Woods Elementary	\$ 76,678.70	\$ 9,968.23	\$ 10,175.71
Killarney Elementary	\$ 74,615.60	\$ 9,700.03	\$ 10,099.48
Lake Como School	\$ 125,615.54	\$ 16,330.02	\$ 17,006.84
Lancaster Elementary	\$ 34,058.12	\$ 4,427.56	\$ 4,602.70
Little River Elementary	\$ 91,271.12	\$ 11,865.25	\$ 11,840.02
Pinar Elementary	\$ 58,995.82	\$ 7,669.46	\$ 7,303.27
Prairie Lake Elementary	\$ 125,263.10	\$ 16,284.20	\$ 17,620.34
Sadler Elementary	\$ 33,869.00	\$ 4,402.97	\$ 4,672.30
Sun Blaze Elementary	\$ 190,833.40	\$ 24,808.34	\$ 23,129.39
Three Points Elementary	\$ 70,155.50	\$ 9,120.22	\$ 11,537.51
Union Park Elementary	\$ 156,391.63	\$ 20,330.91	\$ 20,681.23
Water Spring Elementary	\$ 213,500.52	\$ 27,755.07	\$ 27,578.10
Wedgefield K-8	\$ 162,663.00	\$ 21,146.19	\$ 21,295.08
Westbrooke Elementary	\$ 201,372.29	\$ 26,178.40	\$ 26,549.79
Wetherbee Elementary	\$ 296,062.29	\$ 38,488.10	\$ 39,272.48
Zellwood Elementary	\$ 97,027.12	\$ 12,613.53	\$ 12,571.14
	\$ 2,365,939.22	\$ 307,572.10	\$ 312,622.89