



Town of
RANDOLPH MA

Phase 2 - Bank and Fee Review

James H. Low, Jr.
Managing Director

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Executive Summary

The Town of Randolph (the “Town”) engaged CBIZ, Inc. (“CBIZ”) to perform certain procedures related to the 2024 – 2025 school year. The scope included, a review of the RAH My School Bucks Account (the “Account”) opened at the RAH Federal Credit Union – Randolph and the subsequent activity, reconciliation and investigation into tech and instrument rental fees, verification of funds turned over to the Town related to fees and EV charging revenue, and identification of EV Charging revenue. The request for this project came from the Town’s discovery of the ‘My School Bucks’ checking account that the Randolph Public Schools (“School” or “RPS”) Finance Director opened **without proper approval or authorization from the Town**. This account was **not disclosed** and the discovery of it called into question the Schools’ handling of cash.

Our review noted the following:

- Potential **violation of Massachusetts General Law** associated with the opening of the Account,
- Inaccurate, altered or misleading documentation on cash turnover forms specifically around dates of cash collections,
- **Segregation of duties did not exist** associated with the setup and access to the Account,
- **Variances** between fees available for collection, collected, and turned over to the Town,
- Written policies for RPS cash handling do not exist, and
- **Violations of the Town’s cash turnover policy.**

Relating to the variances, our testing noted an **approximate \$30,000 shortfall** from what the Schools may have been entitled to collect in tech fees and what was apparently collected and an **approximate \$2,000 shortfall** from what was recorded as collected for tech fees and what was turned over. It must be noted that our scope did not cover all cash turnovers.

Project Overview

Our procedures were performed over the period of April 7, 2025, through May 25, 2025, with a look back of activity that occurred between June of 2024 and January of 2025. Our scope of services included:

- Obtaining and reviewing existing written policies and procedures
- Conducting walkthrough meetings to understand the current workflow process and identify existing controls, potential control gaps, and areas for additional training
- Documenting the existing internal controls and observations.
- Reviewing for proper segregation of duties
- Reconciliations of bank accounts and fees received
- Investigative testing of fee schedules and School reports

Project Overview, continued

The following steps were deployed in completing the scope of requested services:

- RAH My School Bucks Account:
 - Obtained and reviewed the account statements from opening to closing of the Account;
 - Identified the source of the funds in this account;
 - Reconciled deposits and withdrawals to verify all funds were turned over to the Town; and
 - Identified who had access to the funds in the Account.
- Tech Fees:
 - Documented the process the School followed to identify students who would be required to pay the technology fee;
 - Obtained information on how the families were notified about the fee;
 - Determined how the fees collection was done, including when and where;
 - Verified how collected fees were accounted for;
 - Verified if and how families were assured payment was recorded;
 - Identified where funds were maintained from date of collection to eventual turnover to the Town; and
 - Reconciled tech fees turned over to the Town versus tech fees collected by the School.

Project Overview, continued

- Instrument Rental Fees:
 - Performed the above tech fee test steps on the fees associated with instrument rental fees.
- EV Charging Revenue:
 - Obtained documentation and verify how EV charging revenue was collected;
 - Identified where funds were maintained until turned over to the Town;
 - Verified how and if they were turned over to the Town; and
 - Reperformed and reconciled amount of revenue turned over to the Town versus revenue received by the School.

Our report details these issues over the following pages. **Appendix A** provides a list of those employees interviewed.

Summary of Testing Observations

RAH My School Bucks Account:

- The Account was opened by the School Finance Director, Annya M. Haughton, in July of 2024. The School Finance Director gave herself and Patricia A. Davis, Executive Assistant to the Finance Director, signatory authority to this account.
- We obtained and reviewed the Account's statements from August of 2024 through January of 2025. In our review we noted 6 total deposit were made. The first deposit was \$10 of the School Finance Director's own money as initial funding to open the account. The subsequent deposits were as follows: \$16,920 on 9/19/24, \$34,329 on 9/26/24, \$2,386.91 on 11/15/24, \$1,933.86 on 1/2/25, and \$829.07 on 1/29/25.
- The source of the funds for the \$16,920 and \$34,329 deposits was not identified at the time of deposit. The source of the funds for the \$2,386.91, \$1,933.86, and \$829.07 deposits was recorded as EV Charging revenue received from ChargePoint.

Summary of Testing Observations, continued

RAH My School Bucks Account, continued:

- The deposits of \$16,920 and \$34,329 were withdrawn on 10/23/25 and turned over to the Town, by the School, on the same day with an additional \$21,525 in cash for a total of \$72,774. These funds were noted as tech fees on the turnover form.
- The deposits of \$2,386.91 and \$1,933.86 were withdrawn on 1/16/25 and turned over to the Town, by the School, the same day. The turnover form noted these funds were from the 'Level Up' program and not EV Charging Revenue. Also, funds were noted as collected on 1/16/25, which again is in direct contradiction with bank statements and EV revenue statements.
- The remaining deposit of \$829.07 was obtained by the Town at closure of the Account. The source of the funds for this deposit was EV charging revenue received from ChargePoint.

Summary of Testing Observations, continued

Tech Fees:

- The School follows a 1 to 1 technology policy, meaning every child gets their own digital (educational) device and their own personalized instruction. Per the 'Randolph Public Schools Device Loan Agreement,' parents/guardians of all Kindergarten through 12th grade students are to provide the district with a non-refundable \$50 maintenance technology fee to cover the cost of accidental damage.
- Per the draft 'Device Collections SOP,' it is the IT departments responsibility to provide a device check-in roster to each school with classroom names and a check off box for device, charger, case, and place to indicate cart number and slot. CBIZ observed no evidence of this process. Instead, the School provided its own accounting from each school with the student names and amount collected.
- Families are notified about the fee when they receive a copy of the RPS Laptop Loan Agreement, which needs to be signed by the student and the parent/guardian. The signed agreement is provided to the School with the required payment of the fee. The fee is paid either by cash, money order, or bank check. No personal checks were accepted.

Summary of Testing Observations, continued

Tech Fees, continued:

- In the 2024-2025 school year most of the technology fees were collected at each of the Schools' open houses. The rest of the collected fees were received during the regular school hours with the student providing the fee and agreement to their teacher or the guardian dropping the fee and agreement at the School's main office.
- Fee collections are tracked by each school via an excel spreadsheet. The spreadsheets has the grades, student names, and amounts collected. Spreadsheets noted when fees were waived or reduced for hardship. These spreadsheets are maintained in the office of each of the schools.
- Per conversations with the Interim School Finance Director and documentation obtained, there is no evidence that the families receive any receipt or acknowledgement of tech fees collected by the School.

Summary of Testing Observations, continued

Tech Fees, continued:

- Fees collected are held at the front office of each school until they are provided to the RPS Finance department for turnover to the Town. Per discussions, with previous School Finance Director and current Interim Finance Director, there are no School policies in place around cash collections and storage. Each School has a safe, **but no further details were available from the School around who has access to these safes** and any cash safety protocols in place.
- Per schedules obtained from the School, CBIZ reperformed the tech fees collection calculation and noted total population of amount that **could have been collected was \$117,745. The amount that was collected per these schedules was \$87,745. There is no explanation for this \$30K difference.**
- CBIZ reviewed Town turnover forms and additional information provided by the School and verified that the School turned over a total of \$85,049 in tech fees. **There is a \$2,696 unexplained variance** between the schedules provided by the School of what was collected and how much was turned over to the Town.

Summary of Testing Observations, continued

Instrument Rental Fees:

- When a student enrolls in band, they receive the 'Instrument Distribution' letter, which notes that the student can rent the instrument from a specific vendor (Needham) directly or pay the School a one-time \$50 cash fee and rent from the School. The letter has a hyperlink to the 'Instrument Loan Agreement' for the students looking to rent from the School. This agreement tracks the students name, grade, and school. The cash is collected by the Music department at pick up of the rented instrument.
- Per the instrument fee schedules submitted to the Town on 10/18/24, the School collected a total of \$7,230 in cash. Though the turnover form noted cash was collected on 10/11/24 and 9/11/24, supporting schedules showed cash was collected as far back as June of 2024.
- Our recalculation of the fees collected shows a variance of \$20 (greater) between what was collected and turned over to the Town. The variance is deemed immaterial.

Summary of Testing Observations, continued

EV Charging Revenue:

- In December of 2023, the School received an invoice in the amount of \$24,402.20 to install 4 dual port electric charging stations. After payment of this invoice, the charging stations were installed in the School parking lot.
- Revenue was collected from the vendor ChargePoint starting in August of 2024. Total charging revenue received by the School from August of 2024 through February of 2025 was \$5,743.17.
- CBIZ performed a review of the January 2025 Town turnover sheets and verified that on 1/16/25 \$4,320.77 was turned over to the Town under the description 'Level Up' Program and for 'Building Use.' These funds were not from that program and should have not been for Building Use. These funds were revenue from EV charging.
- CBIZ confirmed the remaining \$1,423 in charging revenue was received by the Town.

Findings - RAH My School Bucks Account

- Massachusetts General Laws (M.G.L.) specifically authorize municipal treasurers or collectors to enter into agreements with financial institutions for banking services, at M.G.L. Chapter 44 §53F. Per the above, Annya M. Haughton, School Finance Director, appears to have opened an unauthorized account at the RAH Credit Union for the Town of Randolph with the opening of the ‘Town of Randolph Student Activity – My School Bucks’ account.
- On July 29, 2024, the School Finance Director submitted a letter (please refer to **Appendix B**) to RAH Credit Union on her own behalf stating she had the authorization to open a new business checking account for the RPS and that she should be an authorized signor on the account. Per the above law the Finance Director would not have the authority to open this account. Additionally, there is no evidence that she had the authorization or authority to add herself as an authorized signer to any bank account.
- This account was never disclosed to the Town for tracking in the general ledger. This account would be covered under public record and would need to be disclosed to the Town and the public if a request for information was ever made. In addition, the existence of this account was not disclosed to CBIZ during the execution of our initial review of the Schools cash handling protocols (CBIZ report “Review of the Cash Turnover Process for the Randolph Public School District” dated April 4, 2025).

Findings – Tech Fees

- Per our testing, an approximate \$30 thousand variance was found between what could have been collected and what was collected. There is no discernable explanation for this difference. We were unable to determine if any of these funds, noted as the variance, were collected. What we were able to determine was that the process around collection and follow up regarding tech fees needs improvement. In addition, there are no cash handling policies in place at the School where accountability can be assigned. Finally, the collection records are not well maintained to allow for verification of the accuracy and completeness of actual collections from the students.
- The School submitted a total of \$85,049 in tech fees spread out through 11 turnover forms. Testing performed on these turnover forms and supporting documentation noted:
 - 7 of the 11 turnover forms did not have detailed student breakdowns included when the forms were submitted to the Town. This is a violation of Town turnover policy as detailed records are expected to verify source of funds; and
 - None of the dates on the receipts submitted to the Town agreed to the dates of the actual cash collections from the students. (Please reference to **Appendix B** for an example).

Findings – Tech Fees, continued

- Further testing performed on the \$72,774 turned over to the Town, on 10/23/24, showed evidence of the School apparently misrepresenting collection dates on receipts turned over to the Town. Specifically, the testing shows the School created new receipts for the turnover forms and did not use the actual cash collection receipts.
- CBIZ noted that cash turnover of tech fees was not done timely, which is in violation of the Town's turnover policy.
- Testing performed noted an unexplained variance of \$2,696 between what was collected per the School's records (\$87K) and what was submitted to the Town (\$85K). Per discussion with the Interim School Finance Director, the amount turned over to the Town was the amount submitted to the Schools Finance Department.

Findings – Instrument Rental Fees

- Testing performed showed an immaterial variance (\$20) between what was collected and what was turned over to the Town.
- Testing performed showed that cash collected was not timely turned over to the Town for deposit. The schedules provided for the instruments fee collections shows cash collected as far back as June of 2024, but cash was not turned over until October of 2024. This practice is a violation of the Town's turnover policy (please refer to **Appendix B**).
- In addition to the lack of timely turnover, the amount of cash turned over on 10/18/24 was \$7,230, this amount is also in violation of the Town's turnover policy as it should not exceed \$1k cash & checks or \$100 for cash alone.

Findings – EV Charging Revenue

- EV Charging revenue was not accurately turned over to the Town but initially deposited into the RAH Credit Union account.
- When funds were turned over to the Town they were disclosed as 'Level Up' for deposit into the Building Account. The proper disclosure would call for these funds to be deposited into General Funds Account per State requirements.
- The incorrectly identified turnover form also did not provide detailed support or accurately show when the revenue was received from ChargePoint by the School (please refer to **Appendix B**).

Appendix A – Department Interviews

Name	Title
Janine Smith	Director of Finance/Town Accountant
Ellie Perez-Baczkowski	Town Treasurer/Collector
Dr. Thea Stovell	Superintendent
Dr Carlos Colley	Interim School Finance Director
Annya Haughton	School Finance Director

Appendix B – Supporting Documentation

On July 29, 2024, the School Finance Director submitted a letter to RAH Credit Union on her own behalf stating she had the authorization to open a new business checking account for the RPS and that she should be an authorized signor on the account.

RPS District CORE Values: We C.A.R.E.
Continuous Reflection and Improvement • Academic Excellence and Innovation • Respectful and Responsible Relationships • Engaged and Equitable Community

**Randolph Public
Schools**
"Building Tomorrow, Today"



Finance Department
Annya Haughton-Washburn
Interim Director of Finance

40 Highland Avenue
Randolph, MA 02368
(781) 961.6207
(781) 961.6290 Fax
Website: www.randolph.k12.ma.us

Ms. Theo R. Stovell, Superintendent of Schools

Ms. Robyn Bates, Finance Coordinator
Ms. Patti Davis, Executive Assistant to the Finance Department

9521.0

July 29, 2024

RAH Federal Credit Union
45 Diauto Drive
Randolph, MA.

RE: Student Activities MySchoolBucks

To Whom It May Concern,

Please be advised that Annya Haughton employed as the Director of Finance for the Randolph Public Schools is authorized to open a new business checking account for the Randolph Public School District..

Type of Account: Ordinary Business Checking
In the name of: Student Activity- MySchoolBucks

Annya Haughton should be an authorized signer as well as Patricia Davis.

If you have any questions of concerns please reach out.

Thank you


Annya Haughton
Director of Finance & Operations

Appendix B – Supporting Documentation

The schedules provided for the instruments fee collections shows cash collected as far back as June of 2024, but cash was not turned over until October of 2024. This practice is a violation of the Town’s turnover policy.

The attached receipt is dated 9/11/2024, however the cash was being collected starting in June of 2024 and not turned over until 10/16/2024.

Music Instrument Fee 2024

Times	Student Name	Student Name	Stud Student S Parent Name	Parent Phone N Parent Email	Student Email	Instrument	Serial Num	There is a \$50 cash only no	Payment/Loss	Payment Amc
6/24/24	RHS					back clarinet	71879	6/24/24	\$50	
6/20/24	RHS					euphonium	131814	6/24/24	\$50	
6/15/24	RHS					flute	1305174	6/24/24	\$50	
6/10/24	RCMS					horn	553815	6/24/24	\$50	
6/12/24	RHS					baritone horn	3411	6/25/24	\$50	
6/24/24	RCMS					bass clarinet	8399	6/25/24	\$50	
8/17/24	RHS					bass clarinet	8182	8/28/24	\$50	
6/25/24	RHS					clarinet	20050130	6/25/24	\$50	
6/24/24	RHS					percussion		6/25/24	\$50	
08/27/24	RHD					baritone saxophone	EC30073	08/27/24	\$50	
	RCMS					bass clarinet	86128	6/27/24	\$50	
6/27/24	RHS					euphonium	305932	6/27/24	\$50	
8/27/24	ELHS					flute	122070	8/17/24	\$50	
6/27/24	RCMS					flute	122068	6/27/24	\$50	
	RHS					tenor saxophone	55121	6/27/24	\$50	
8/18/24	RCMS					baritone saxophone	1102067	8/17/24	\$50	
8/1/24	RHS					drum	80063 New	8/1/24	\$50	
7/24/24	RHS					clarinet	90594	8/1/24	\$50	
7/10/24	RHS					clarinet	581479	8/1/24	\$50	
6/25/24	RCMS					flute	9464	8/1/24	\$50	
7/24/24	RHS					flute	25750	8/1/24	\$50	
6/23/24	RCMS					percussion		8/1/24	\$50	
8/1/24	RCMS					trumpet	704896	8/1/24	\$50	
6/20/24	RCMS					trumpet	561858	8/1/24	\$50	
8/23/24	RCMS					alto saxophone	702100	8/22	\$50	
8/17/24	RCMS					alto saxophone	16788311	8/22	\$50	
8/20/24	RHS					baritone saxophone	1102067	8/22	\$50	
8/15/24	Blue Hills					bass clarinet	83731	8/22	\$50	
8/20/24	Donovan					clarinet	220402	8/22	\$50	
8/22/24	Donovan					clarinet	7111229	8/22	\$50	
8/22/24	Donovan					clarinet	702911	8/22	\$50	
8/15/24	RCMS					clarinet	702860	8/22	\$50	
8/16/24	RCMS					flute	6138891	8/22	\$50	
8/20/24	RCMS					flute	2648	8/22	\$50	
8/20/24	RCMS					flute	319537	8/22	\$50	
8/23/24	RCMS					flute	122067	8/22	\$50	
8/15/24	RCMS					flute	406715	8/22	\$50	
8/20/24	RCMS					flute	676847	8/22/24	\$50	
8/17/24	RCMS					flute	94284	8/22	\$50	
8/20/24	Donovan					percussion		8/20	\$50	
7/30/24	RCMS					percussion		8/22	\$50	
8/18/24	RCMS					percussion		8/22	\$50	
8/13/24	RCMS					percussion		0/22	\$50	
8/20/24	RCMS					percussion		8/22	\$50	
8/15/24	RCMS					percussion		8/22	\$50	
8/8/24	RCMS					percussion		8/22	\$50	

Times	Student Name	Student Name	Stud Student S Parent Name	Parent Phone N Parent Email	Student Email	Instrument	Serial Num	There is a \$50 cash only no	Payment/Loss	Payment Amc
8/21/24						trumpet	70105			0
						trumpet	3301			
						Flute Repairs			\$70	9/10/24
						alto saxophone	702082			
						trumpet	3376			

\$3820 9/11/24

RECEIPT No. 505618
DATE 9/11/2024
FROM Tracy D. Inst. Dist. \$3820-
three thousand eight hundred DOLLARS
FOR Instrument Rentals all grades
ACCT. CASH
PAID CHECK FROM TO
DUE MONEY ORDER BY
CREDIT CARD



Thank You