



Background

Collaborative Educational Network, Inc. (CEN) entered into an agreement with Burns Science and Technology Charter School on June 12, 2023, to review concerns and related issues raised during a governing board meeting on April 3, 2023. Burns Science and Technology Charter School (Burns) is a tuition-free public school situated in Oak Hill, Florida. Volusia County Schools serves as the local educational agency or authorizing school district for Burns and serves approximately 60,000 students. Approximately five percent of the district’s students are enrolled in charter schools. Burns serves students in Kindergarten through grade twelve, and the school’s population accounts for approximately thirty percent of the district’s overall charter population. Based on current demand and recent school and programming development, anticipated continued growth is expected for Burns.

After reviewing the reported concerns and related issues, and communicating with applicable school stakeholders, the scope of the issues was narrowed into two primary areas: fiscal responsibility and appropriate enrollment and admissions processes in alignment with Section 1002.33 Florida Statutes. The primary subject of the inquiry is the former long-term Burns Principal, Dr. Janet McGee. As a result of the issues surrounding this review, and prior to any agreement to conduct this inquiry, Dr. McGee was no longer employed by Burns or any related entity associated with the school. However, all school stakeholders communicated the need to review the issues as part of neutral due diligence and fact finding, as well as to ensure proactive measures are in place to protect the overall well-being of the school and to ensure future compliance.

CEN’s process for conducting the inquiry included reviewing related documents, procedures, policies, and conducting interviews with selected school staff members to discuss school practices. As part of the inquiry and interview process, details regarding the circumstances surrounding the scope of the issues were discussed at length. All interviewees were selected based upon their role at the school, scope of their work, and at the discretion of CEN. Interviews were conducted in a virtual format.

Summary of Issues Reviewed

Concerns were raised in multiple formats – in writing to the school and school community, and in a public forum during Burns governing board meeting alleging that the former school Principal attempted to misuse school funds in an alleged effort to seek financial support from Mr. Elon Musk. Mr. Musk has founded and or led the development of numerous well-known entities such as SpaceX and Tesla, and has been involved in many lucrative business agreements such as that involving “X” formerly known as “Twitter”. Mr. Musk is a public figure whose net

worth has been reported as one of the highest in the World according to reputable public sources such as Forbes. Funds were reportedly being sought in the form of a large donation from Mr. Musk specifically due to the school's programmatic emphasis in the areas of science and technology, and his related philanthropic efforts.

As part of the concerns noted regarding fiduciary responsibility, concerns were evident regarding the former Principal's acceptance of donations and services in exchange for the enrollment of students at the school. Related concerns were prevalent after the former Principal's role was severed. Parents began contacting the existing staff and administration regarding assurances for their child's enrollment or a guaranteed "seat" that was promised to them by the former Principal. Since this is contrary to the school's approved policies and Florida's requirements for prospective charter school student enrollment, this issue was encompassed as part of the inquiry process.

Findings of Fact

Use of School Funding to Secure Donation from "Elon Musk"

1. All interviewees confirmed that the former Principal (Principal) had been working to contact Elon Musk through personal research and had faced more than one failed attempt to make successful contact.
2. It was reported that research and attempted communication efforts involved online fan sites and attempting to connect with local politicians to facilitate a partnership with the wealthy businessman.
3. Over the course of these communication attempts, the Principal began communicating with an individual posing as Elon Musk.
4. The Principal believed she had begun communicating with the actual Elon Musk and had saved a contact number in her cell phone to demonstrate that she had been in frequent communication with Elon Musk.
5. The Principal communicated to interviewees that Elon Musk planned to remove all financial problems or hardships by making a sizeable donation in the amount of six million dollars.
6. During at least a six-month period, staff members who were aware of the circumstances informed the Principal that the person she was communicating with was fraudulent and attempting to take advantage of the school and her personal livelihood.
7. Communication between the Principal and the imposter Elon Musk began intensifying in the frequency, duration, and context.
8. Interviewees indicated that there was an evident emotional connection between the Principal and the imposter which made it even more difficult to persuade the communication to stop.
9. The individual posing as Elon Musk communicated to the Principal that he/they intended to donate six million dollars. The Principal conveyed to interviewees and school staff that this six million was for the benefit of Burns.

10. However, the individual communicated to the Principal that four million would go to the school, one million would go to the Principal directly, and one million would be given to charity.
11. Text message exchanges showed to school staff from the Principal's cell phone showed an image/video of a large sum of cash, shoes, jewelry, and handbags in an apparent attempt to attract the Principal's continued interest in the pending scheme.
12. Interviewees reported that the communication between the Principal and the individual posing as Elon Musk gradually became romantic in nature and extended beyond professional communication regarding school funding.
13. Staff attempted to inform the Principal that an individual who engages in fraudulent activity "professionally" or regularly will attempt to gain trust via emotional attachment in an attempt to warn her further of the pending scheme.
14. Interviewees maintained that it was difficult to engage in related communication with their superior and were uncertain of how their Principal might respond in such an unpredictable circumstance.
15. Interviewees report that the Principal had an unwavering position to continue the communication and was hyper-focused on obtaining the funding from the individual.
16. After months of communicating with the individual, the Principal approached the Burns Business Manager and requested funding for "curriculum". The Business Manager informed her that the school's process for ordering curriculum would involve the completion of a purchase order and following the appropriate process. The Principal was informed that monies would not automatically be released based upon a general and informal request.
17. Following the communication exchange with the business manager, a blank check went missing from the school's books. The business manager promptly identified that the check went missing and stopped payment before it cleared. The Board was notified of the issue as soon as the activity was identified by the business manager.
18. The missing check was dated March 1, 2023, made payable to Luis Alberto Fernandes, and signed by the Principal in the amount of \$100,000.00. The subject line stated for "matching funds".
19. The Principal indicated that for the reported cash donation to be released, \$100,000.00 was needed to pay a tax. Until this money was received, and taxes paid, no funds would be released.
20. At the time of the writing of this report, no one has yet confirmed the whereabouts of the individual(s) posing as Elon Musk.

Conclusions

The school Principal attempted to misuse school funds to send to an unknown individual, without following vetted financial procedures for personal use and gain.

- Specifically, the Principal wrote a check for \$100,000.00 without permission to an unreliable and unverified source. The Principal was aware that if the donation was authentic, one million would be provided directly to her and she would provide one million to charity.

- Furthermore, the Principal believed the money was being delivered in all cash which would not only be unreasonable but untraceable.
- The Principal's continued pursuit and involvement in ongoing communication regarding a financial scheme posed a risk to the school and school community.
- Related involvement demonstrates a lack of good faith on the part of the Principal to maintain fiscal responsibility and shows a willingness to engage in risky behavior posing potential harm to the school.

Recommendations

Prior to conducting this inquiry, the governing board and Burns staff began taking steps in collaboration with legal counsel to complete corrective actions that were self-imposed:

1. Prior to entering into an agreement with Burns, the governing board and school had made amendments to their policies related to financial controls in attempt to mitigate future missteps or wrongdoing; including reducing the threshold for school expenditures that are allowable without governing board approval.
2. Internal day-to-day financial operations have been tightened to ensure adherence to policy. The school began obtaining more than one signature to support accountability in financial decision-making.
 - The assurance of shared accountability in finances and controls vs. the former Principal's personal practices of accessing funds supports continued implementation of financial policies with fidelity.

**Additional related information is contained in the next section of this report.*

One remaining recommendation in this area is as follows:

Consider contracting with a financial entity such as Florida-based School Financial Services (SFS) to assess the financial health of the school and determine whether targeted improvements may be recommended to existing practices, policies, or procedures to support school sustainability and long-term success. SFS may provide a neutral lens and work in collaboration with existing financial vendors or partners. ¹

Findings of Fact

Acceptance of Donations and Services in Exchange for Student Enrollment

1. Interviewees communicated that the Principal carried a personal spiralbound notebook when taking families and prospective students on school tours.
2. Handwritten notes which included the Principal's initials reportedly signaled a student that met the Principal's personal enrollment criterion.

¹ <https://www.shoolfin.com>

3. During the time of the writing of this report, the notebook had not been located at the school.
4. Since the former Principal's departure, families have contacted the school and referred to this specific notebook, while also communicating that the Principal promised their child a seat to enroll.
5. Multiple examples of monetary donations and at least one example of donated services in exchange for student enrollment were identified by school staff following the Principal's severed relationship with the school.
6. A specific example involved a check written for a \$10,000.00 donation by a family and provided to the school in exchange for student enrollment. The particular student had been waitlisted, then moved off of the waitlist and enrolled in school two days later following the receipt of the donation. There were no applicable preferences at play that would justify the move off of the waitlist to the accepted and enrolled list of pending applicants.
7. Additional examples of families who made donations in exchange for student enrollment were made available to CEN. At times, these donations involved the Principal applying the logic of an allowable sibling preference despite the child having no enrolled siblings.
8. For students who have already been enrolled based upon this false allowable premise, the school does not intend to overturn the student enrollment so that students and families are not penalized.
9. During the course of interviews and requests for information, school staff uncovered donations provided directly to the Principal that had been housed in her office. These donations included small cash amounts that couldn't be linked to a particular current student, school need, or fundraising activity. There were also checks maintained in the Principal's office that were never cashed but clearly earmarked for donations.
10. If the school can identify where to return money to, they have done so and continue to do so on a case-by-case basis.
11. Prior to the agreement between CEN and Burns, the school moved their student application and Lottery process to the *Lotterease* electronic platform which supports a transparent, equitable, and allowable application and lottery process. All prospective families are being routed to apply through this system. The *Lotterease* system limits the need for human involvement and error to prevent subjectivity in student selection.

Conclusions

1. The former Principal knowingly and willfully encouraged donations to ensure student enrollment despite enrollment policies, practices, procedures, and Florida's requirements contained in Section 1002.33, Florida Statutes.
2. The former Principal accepted services in exchange for student enrollment. (e.g., school-based facilities services)
3. The former Principal evidenced a lack of financial management and record keeping by maintaining checks and cash at random in her office space.
4. The school has taken corrective measures through contracting with *Lotterease* to ensure a seamless and compliant application and lottery process.

5. The school has taken corrective steps to reimburse donations and/or monies that could be linked to the admissions process and specific families.
6. The school has communicated a consistent message for the current 2022-23 school year routing families to the *Lotterease* system and working diligently to ensure the community at-large is aware that enrollment is not contingent upon donations or a subjective school tour, and that the school is a tuition-free public charter school.

Recommendations

1. Enhance the school website to include the *Lotterease* information and the vendor's seal of transparency so that it is evident to stakeholders. Accompany this information with clearly stated details from the school's approved policy.
2. Ensure marketing and school outreach efforts are clearly based upon the school being a tuition-free public charter school.
3. If accessing services by SFS as outlined in the first section of the report, incorporate the review of the school's newly restructured process and procedures for collecting donations, monitoring the accountability of fundraising sources/activities, and any Principal or ancillary accounts.