



DEPARTMENT OF EDUCATION

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February 18, 2020

Board President, Odyssey Charter School

Via Denise Parks, Head of School
Odyssey Charter School
Barley Mill Plaza
4319 Lancaster Pike
Wilmington, DE 19805

Dear Board President:

Santora CPA Group ("Santora") provided an Independent Accountants' Report on Applying Agreed-Upon Procedures regarding Odyssey Charter School dated December 13, 2019 to the Delaware Auditor of Accounts. By correspondence dated January 27, 2020, Odyssey Charter School ("Odyssey") purported to retrieve and provide all of the documentation to account for 100% of the expenditures identified by Santora in its report at Attachments #2 and #6.

As part of its financial oversight of Delaware charter schools, the Delaware Department of Education ("DOE" or "Department") prepared a set of questions for Odyssey to aid in the Department's review of the Santora report and supplemental material.¹ (see questions below)

As part of its response to Santora, OCS made the statement below:

In addition, Procedure # 7 involved analysis of expenditures made in connection with Ithaka Early Learning Center. To clarify the rationale behind the expenditures, please see the enclosed informational graphic. The expenditures made in connection with Ithaka were covered from

¹ As used herein, the terms "Odyssey" or "OCS" refers without limitation to Odyssey Charter School its successors in interest, its predecessors or other businesses with which it has merged as well as its attorneys and every agent or any other representative acting (or purporting to act) on its behalf. The term "AHEPA" refers without limitation to Wilmington Chapter #95 of the American Hellenic Educational Progressive Association's family of organizations its successors in interest, its predecessors or other businesses with which it has merged as well as its attorneys and every agent or any other representative acting (or purporting to act) on its behalf.

rental income, not from public funds that were appropriated to Odyssey by the state or school district.

DOE requests OCS state the basis for the contention that rental income received from a public school (Academia Antonia Alonso) for leased space on another public school (Odyssey) campus is not a "public fund." Specifically, DOE requests OCS explain why its Academia Antonia Alonso rental income should not be categorized as "Non-appropriated Special Funds" under the guidelines of the Delaware Office of Management and Budget.

To aid the Department's review where a person is to be identified, please state his or her full name, current or last known home and business address, and present or last known business affiliation or occupation. Where an entity is to be identified, state its full name, its form or organization (e.g. corporation, partnership), present or last known address of its principal place of business or office, and the name and address of each of the agents who acted for it with respect to the matters involved in this financial review.

With respect to the Santora report, please respond to the following inquiries:

Procedure 1

- a) DOE requests OCS identify North Star Strategies' relationship, if any, with any Odyssey Board of Directors member or AHEPA.
- b) DOE requests OCS identify PTI Nonprofit Support Services relationship, if any, with any Odyssey Board of Directors member or AHEPA.

Procedure 2

- a) DOE requests OCS provide more detail for Transaction ID# 04898461, dated 6/7/2019.
- b) DOE requests OCS provide more detail for Transaction ID# 03876289, dated 9/5/2017.
- c) Provide a copy of the Consulting Services Agreement between OCS and CP Svahn Educational Services, Inc. referenced in Voucher 4099372 along with any OCS Board minutes documenting authorizing that agreement.
- d) DOE requests OCS identify CP Svahn Educational Services' relationship, if any, with any Odyssey Board of Directors member or AHEPA.

Procedure 4

- a) DOE requests OCS account for the \$20,000 difference between the \$72,050 in cash donations raised by the AHEPA Gala and the \$52,050 recorded in OCS' general ledger.

- b) DOE requests OCS identify where it deposited all monetary revenue related to the AHEPA Gala.
- c) DOE requests OCS identify where it deposited or plans to deposit the \$44,650 in AHEPA Gala pledge donations.

Procedure 8

- a) DOE requests OCS provide more detail for Transaction ID# 03368127, dated 10/6/2016.
- b) DOE requests OCS provide more detail for Transaction ID# 03238513, dated 10/19/2016.
- c) DOE requests OCS provide more detail for various payments to Pettinaro Relocation, LLC regarding rent payments for Marina Matthaoudaki, Leonidis Vosdou, Georgia Nikolaou, and Zafeirios Ntouvis.

Procedure 9

- a) DOE requests OCS provide copies of any documents related to draw #1 of the Ithaka Early Learning Center Project in the amount of \$155,783.
- b) DOE requests OCS provide copies of any documents related to draw #2 of the Ithaka Early Learning Center Project in the amount of \$177,217.
- c) DOE requests OCS identify the source of insurance proceeds related to the vandalism of Building #27 and the Building #27 improvements made with those insurance proceeds.
- d) DOE requests copies of any insurance policies and/or proof of insurance documents received by OCS from Ithaka including but not limited to general liability and directors' and officers' policies.
- e) DOE requests OCS identify the source of funds for payments of \$71,375 and \$82,842 to Chatham Bay regarding the Ithaka Early Learning Center.
- f) DOE requests OCS identify the accounting references used for payments of \$71,375 and \$82,842 to Chatham Bay regarding the Ithaka Early Learning Center, specifically the FSF chartfield string
- g) DOE request OCS provide all documents, minutes, summaries of Odyssey Board of Directors' regular meetings or Executive Session regarding authorizing the work resulting in the payments of \$71,375 and \$82,842 to Chatham Bay and Ithaka Early Learning Center, Inc. draws #1 and #2.
- h) DOE request OCS provide all documents, minutes, summaries of 2019 Odyssey Board of Directors' regular meetings or Executive Sessions regarding payments of \$71,375 and \$82,842 to Chatham Bay.

The Department requests Odyssey respond to this letter on or before March 6, 2020. The Department believes the topics will be part of the State Board of Education's March meeting agenda. Thank you for your time and consideration.

Regards,

A handwritten signature in blue ink, appearing to read 'Chuck Longfellow', with a long horizontal flourish extending to the right.

Chuck Longfellow
Associate Secretary,
Operations Support