



# R. B. “Chips” Shore

CLERK OF THE CIRCUIT COURT AND COMPTROLLER OF MANATEE COUNTY

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## Internal Audit Department

### Manatee Family YMCA Children’s Services Funding Agreements Phase 2 Testing

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February 19, 2015

Audit No. 21530200



# R. B. "Chips" Shore

CLERK OF THE CIRCUIT COURT AND COMPTROLLER OF MANATEE COUNTY

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1115 Manatee Avenue West, Bradenton, Florida 34205 - Phone (941) 749-1800 - Fax (941) 741-4082  
P.O. Box 25400, Bradenton, Florida 34206 - [www.manateeclerk.com](http://www.manateeclerk.com)

## MEMORANDUM

TO: Ed Hunzeker, County Administrator

FROM: R. B. "Chips" Shore, Clerk of the Circuit Court & Comptroller

DATE: February 19, 2015

RE: Manatee Family YMCA Agreements - Phase 2 Testing

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The Internal Audit Department has completed Phase 2 testing of the Children's Services funding agreements between Manatee County and the Manatee Family YMCA. The additional testing performed completes our review of the documentation supporting payments made to the YMCA for the contract years ending September 30, 2012, 2013, and 2014. Attached is the final report summarizing the results of our testing.

If you have any questions regarding this report, please contact me or Lori Stephens, our Director of Internal Audit, at extension 4170.

Enclosures

cc: Brenda Rogers, Community Services Department Director  
Mitchell Palmer, County Attorney

"Pride in Service with a Vision to the Future"

Clerk of the Circuit Court - Clerk of Board of County Commissioners - County Comptroller - Auditor and Recorder

Manatee County Clerk of the Circuit Court  
Internal Audit Department

Manatee Family YMCA Funding Agreements  
Phase 2 Testing

February 19, 2015

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**Manatee County Clerk of the Circuit Court  
Internal Audit Department**

**Manatee YMCA Funding Agreements  
Phase 2 Testing**

**Background**

On July 3, 2014, the Manatee County Clerk of the Circuit Court and Comptroller (Clerk's Office) issued an Investigation Report summarizing the results of the Internal Audit Department's investigation of payments made by Manatee County to the Manatee County Family YMCA, Inc. (YMCA) for several Manatee County Children's Services funded programs. The investigation was conducted in response to allegations that the YMCA had submitted falsified documents and information to the County in support of payments made to the agency. This report concluded that payments made to the YMCA were not adequately supported with proper documentation as required in the funding agreements. Documentation deficiencies included falsified records, as well as incomplete and missing records, and errors were identified in the units of service reported for several programs, resulting in overpayments to the YMCA. The scope of testing included all Manatee County funded programs of the YMCA for the 12-month period October 1, 2011 through September 30, 2012 (Gang Prevention, South Branch, School Age, Middle School, Summer); the 6-month period October 1, 2012 through March 31, 2013 (Gang Prevention, South Branch, School Age, Middle School); the 3-month period June 2013 through August 2013 (Summer); the 2-month period October 2013 through November 2013 (Gang Prevention); and the 1-month period November 1, 2013 through November 30, 2013 (Y-Dash). In total, we identified \$186,440.01 in payments to the YMCA which were not supported as required in the funding agreements, supported with falsified/altered documentation, and/or based on inaccurate reporting of services provided. ([Exhibit A](#))

On July 8, 2014, the Manatee County Community Services Department received correspondence from the YMCA which included a \$668.12 refund to Manatee County for an overbilling error of the School Age Program for the October 1, 2012 through September 30, 2013 funding year. The revised billings and documentation submitted reflected the removal of some ineligible units of service, as well as the addition of new units of service, which had not been previously reported or billed to Manatee County. (These amended billings were examined during Phase 2 testing. See page 14)

On July 28, 2014, Manatee County formally requested repayment from the Manatee YMCA of the \$186,440.01 in overpayments identified in the investigation as follows:

Gang Prevention Program	\$117,412.00
South Branch Program	\$ 37,791.00
School Age Program	\$ 10,983.84
Summer Program	\$ 20,253.17

On August 29, 2014, in response to the findings reported, the YMCA provided more than 2,700 pages of documents (response documents) to the Manatee County Attorney's Office to support the services billed by and paid to the YMCA.

On September 19, 2014, the YMCA provided Manatee County with a copy of an Internal Consulting Project report, dated July 2, 2014, from Kerkering, Barberio & Co., CPAs. This project report provided an analysis of the YMCA's operational compliance with the Children's Services contracts for the program year ended September 30, 2013, and the first quarter of the program year ending September 30, 2014. In this report, material weaknesses in operational compliance were identified which included a lack of documentation to support program eligibility, and insufficient documentation to substantiate days of service. Additionally, during their review of the Y-Dash program (Harlee Middle School location), Kerkering, Barberio & Co. found multiple photocopies of sign-in sheets in which the dates had been changed. ([Exhibit B](#))

Oscher Consulting, P.A. was engaged by Shinn and Company, LLC, as part of the audit services contracted with Manatee County, to review and evaluate the documentation deficiencies identified in the Clerk's Office investigation and the Kerkering, Barberio & Co. Report, and to evaluate the response documents provided by the YMCA. On November 5, 2014, based on their forensic analysis, Oscher Consulting concluded in its report that the Internal Auditors were accurate in their assessment of the documentation available at the time of their investigation; the findings of the Internal Auditors were consistent with the material weaknesses identified by the YMCA's CPAs, Kerkering, Barberio & Co.; the documentation maintained by the YMCA was inconsistent, incomplete, and in some cases, inappropriate to substantiate requests for payment; questionable documentation was correctly identified during the Internal Audit investigation; the documents subsequently provided by the YMCA in response to the Investigation Report contained documentation originally provided during the investigation but which appeared to have been subsequently changed or amended; the YMCA response documents do not alter the findings identified in the Investigation Report that required documentation was missing, incomplete, or falsified. ([Exhibit C](#))

In November 2014, the Internal Audit Department was engaged to perform additional (Phase 2) testing of billings and payments made for the County funded YMCA programs for the remaining months of funding years 2012/2013 and 2013/2014, which had not been previously tested. The scope of Phase 2 testing included the 6-month period April 1, 2013 through September 30, 2013 (2012/2013 contract year) for the Gang Prevention, South Branch, School Age, and Middle School programs; the 12-month period October 1, 2013 through September 30, 2014 (2013/2014 contract year) for the Gang Prevention and Y-Dash programs; and the revised billings submitted for the School Age program for the 6-month period October 1, 2012 through March 31, 2013.

### **Summary of Findings**

Based on our review of documentation obtained during the original investigation and documentation obtained during Phase 2 testing, we find that an additional \$77,421.11 in payments to the YMCA are not adequately supported with proper documentation as required in the funding agreements. Deficiencies identified include additional photocopied and altered records; incomplete and missing documentation; backdated documents; and services reported for ineligible clients and/or program days. After including the overpayment identified in the original investigation (\$186,440.01) and applying the refund paid by the YMCA in July 2014 (\$668.12), the total amount due back from the YMCA is \$263,193.00.

We further find that Manatee County owes the YMCA \$109,017.00 for services provided, but not yet paid, for the 2013/2014 Y-Dash program for the period May 1, 2014 through September 30, 2014.

The following chart summarizes the results of the original investigation and Phase 2 testing:

**YMCA CONTRACT TESTING - SUMMARY OF FINDINGS**

Contract Year	Scope	Billed by YMCA	Paid to YMCA	Eligible Per Testing	Due From YMCA/Overpayment (Due to YMCA)		
					Original Test	Phase 2 Test	TOTAL
<b>Gang Prevention</b>							
2011/2012	10/1/11 - 9/30/12	\$53,116.00	\$53,116.00	\$0.00	\$53,116.00		\$53,116.00
2012/2013	10/1/12 - 3/31/13	\$53,112.00	\$53,112.00	\$0.00	\$53,112.00		\$53,112.00
	4/1/13 - 9/30/13	\$53,120.00	\$53,120.00	\$0.00		\$53,120.00	\$53,120.00
		\$106,232.00	\$106,232.00	\$0.00			
2013/2014	10/1/13 - 11/30/13	\$11,184.00	\$11,184.00	\$0.00	\$11,184.00		\$11,184.00
	12/1/13 - 3/31/14	\$20,810.75	\$14,395.65	\$0.00		\$14,395.65	\$14,395.65
	4/1/14 - 4/30/14	\$5,225.95	\$3,025.55	\$2,475.45		\$550.10	\$550.10
	5/1/14 - 9/30/14	\$21,453.90	\$0.00	\$7,976.45		(\$7,976.45)	(\$7,976.45)
		\$58,674.60	\$28,605.20	\$10,451.90			
		\$218,022.60	\$187,953.20	\$10,451.90	\$117,412.00	\$60,089.30	\$177,501.30
					<b>DUE FROM YMCA</b>		
<b>Y-Dash</b>							
2013/2014	10/1/13 - 4/30/14	\$190,778.00	\$190,778.00	\$190,778.00		\$0.00	
	5/1/14 - 9/30/14	\$109,017.00	\$0.00	\$109,017.00		(\$109,017.00)	(\$109,017.00)
		\$299,795.00	\$190,778.00	\$299,795.00			
					--	(\$109,017.00)	(\$109,017.00)
					<b>DUE TO YMCA</b>		
<b>South Branch</b>							
2011/2012	10/1/11 - 9/30/12	\$28,973.10	\$28,973.10	\$5,542.68	\$23,430.42		\$23,430.42
2012/2013	10/1/12 - 3/31/13	\$15,620.28	\$15,620.28	\$1,259.70	\$14,360.58		\$14,360.58
	4/1/13 - 9/30/13	\$14,360.58	\$14,360.58	\$125.97		\$14,234.61	\$14,234.61
		\$29,980.86	\$29,980.86	\$1,385.67			
		\$58,953.96	\$58,953.96	\$6,928.35	\$37,791.00	\$14,234.61	\$52,025.61
					<b>DUE FROM YMCA</b>		
<b>School Age</b>							
2011/2012	10/1/11 - 9/30/12	\$16,554.00	\$16,554.00	\$7,639.68	\$8,914.32		\$8,914.32
**REVISED	2012/2013	**\$7,176.00	\$8,274.00	**\$6,425.28	\$2,069.52	ADJUST (\$220.80)	\$1,848.72
**REVISED	4/1/13 - 9/30/13	**\$4,592.64	\$7,049.52	\$3,731.52		\$3,318.00	\$3,318.00
		\$11,768.64	\$15,323.52	\$10,156.80			
		\$28,322.64	\$31,877.52	\$17,796.48	\$10,983.84	\$3,097.20	\$14,081.04
							(\$668.12)
			7/8/14		<b>REFUND RECEIVED FROM YMCA</b>		
					<b>NET DUE FROM YMCA</b>		\$13,412.92
<b>Summer</b>							
2012	6/1/12 - 8/31/12	\$67,848.20	\$67,848.20	\$50,886.15	\$16,962.05		\$16,962.05
2013	6/1/13 - 8/31/13	\$64,725.36	\$64,725.36	\$61,434.24	\$3,291.12		\$3,291.12
		\$132,573.56	\$132,573.56	\$112,320.39	\$20,253.17	--	\$20,253.17
					<b>DUE FROM YMCA</b>		
<b>Middle School</b>							
2011/2012	10/1/11 - 9/30/12	\$185,822.00	\$185,822.00	\$185,822.00	\$0.00		\$0.00
2012/2013	10/1/12 - 3/31/13	\$92,910.00	\$92,910.00	\$92,910.00	\$0.00		\$0.00
	4/1/13 - 9/30/13	\$92,912.00	\$92,912.00	\$92,912.00		\$0.00	\$0.00
		\$185,822.00	\$185,822.00	\$185,822.00			
		\$371,644.00	\$371,644.00	\$371,644.00	\$0.00	\$0.00	\$0.00
					<b>DUE FROM (TO) YMCA</b>		
					\$186,440.01	\$77,421.11	\$263,861.12
							(\$668.12)
					<b>TOTAL DUE FROM YMCA</b>		\$263,193.00
						(\$109,017.00)	(\$109,017.00)
					<b>TOTAL DUE TO YMCA</b>		
					<b>NET DUE FROM YMCA</b>		\$154,176.00

Based on Phase 2 testing, we found the following:

- **Falsified (photocopied/altered) sign-in sheets were provided to auditors to support payments for Y-Dash Program services at the Harlee Middle School site after the YMCA had been notified that the falsified documents existed.** In the original Investigation Report issued July 3, 2014, auditors reported that sign-in sheets provided to support services at the Harlee Middle School site were duplicates/photocopies with altered dates. In its July 2, 2014 Internal Consulting report to the YMCA, Kerkering, Barberio & Co., CPAs reported finding “multiple photocopies of sign-in sheets of which dates had been changed” while reviewing the Y-Dash program (Harlee Middle School location) for the quarter ended December 31, 2013. However, in November 2014 (Phase 2 testing) the YMCA provided auditors with falsified December 2013 sign-in sheets as support for its billings. [\(Page 11\)](#)
- **Falsified (photocopied/altered) sign-in sheets were provided to auditors to support payments for South Branch Program services.** On November 24, 2014, while auditors were obtaining and reviewing documents (Phase 2 testing), the YMCA notified the Clerk’s Office that 24 sign-in sheets, which had just been provided to auditors, had subsequently been identified by the YMCA as altered. Testing confirmed the altered sign-in sheets, and identified an *additional* 18 photocopied/altered sign-in sheets provided by the YMCA which were not identified or reported by the YMCA. [\(Page 13\)](#)
- **Documentation submitted to auditors during the original investigation to support the Gang Prevention Program has been subsequently altered and resubmitted to auditors for Phase 2 testing.** [\(Page 7\)](#)
- **Documentation submitted to support the Gang Prevention Program was created and backdated months after services were billed to and paid by Manatee County.** [\(Pages 7-8\)](#)
- **Ineligible units of service were reported in monthly billings for the Gang Prevention Program.** Manatee County was billed and paid for Gang Prevention services reported as one on one interaction with students taking place *in schools*, on days when schools were not in session, including teacher inservice and record days, weekends, summer break, and Presidents’ Day. In addition, program days were billed when no billable services were reported. [\(Pages 6-7\)](#)
- **Documentation did not always exist (client names, client/program files) to support the services reported for the Gang Prevention Program.** [\(Pages 6-9\)](#)
- **Documentation did not always exist, or did not substantiate, that Gang Prevention clients resided in, or intervention services were performed in schools located in, the Pride Park area.** [\(Pages 8-9\)](#)
- **Documentation did not always exist, or did not substantiate, that clients met the eligibility requirements for the Y-Dash and School Age Child Care Programs.** [\(Pages 10-12; 14-15\)](#)
- **Documentation did not exist to support all programs offered through the South Branch Program.** The YMCA was unable to provide a complete list of programs offered. [\(Page 13\)](#)
- **Attendance records were not complete to support all program days reported for the Y-Dash (Harlee Middle site), and Middle School (Lincoln Middle site) Programs.** [\(Pages 11-12; 16\)](#)
- **Acknowledgement and Consent to Release Records forms were not obtained by the YMCA for all program participants, as required in the funding agreements.** (Gang, Y-Dash, South Branch, School Age Child Care, and Middle School Programs). [\(Pages 6, 8; 10; 12; 15; 16\)](#)

## **Discussion and Findings**

Funding agreements between Manatee County and the Manatee YMCA were obtained and reviewed for the 2012/2013 and 2013/2014 contract years. Monthly requests for payment (RFP) were reviewed for accuracy, and testing was performed to ensure the YMCA maintained adequate documentation to support the requirements contained in the agreements for the relevant testing periods. The scope of testing and results of our review of each agreement are detailed in the following sections:

### **GANG PREVENTION PROGRAM**

***Service Description:*** Agency shall provide street outreach coordination services to, or on behalf of, Manatee County youth ages 6 through 17, who reside in the Pride Park area (and Palmetto Crime Zone 2 area for 2012/2013 agreement only) and are involved in, or at risk of joining, a gang.

Program Coordinator(s) shall perform one or more of the program services listed below daily:

***Individual Intervention Services:*** Provide education to youth, parents and other mentoring adults to help Manatee County's youth reject gang involvement. Service shall include ***one on one interaction with clients*** who are identified by a school counselor to be a potential candidate for gang involvement. ***Interaction shall take place in the schools*** and may consist of various activities.

***Group Prevention Services:*** Provide information to expose Manatee County's gangs and their activities for their violent and destructive reality in coordination with stakeholders, school officials, and the Sheriff's Department. Services may include, but not be limited to, presentations to school assemblies, prison inmates and youth groups.

Program Coordinator(s) shall perform the following non-billable services as appropriate:

Mobilize communities to repel gang appeal to Manatee County's youth. Provide effective prevention/intervention programs for those youth who are the most likely targets of gang recruitment and identified youth gang members. Encourage and assist with the creation of positive extracurricular activities and a workforce development program for Manatee County's at-risk youth. Support existing and new community groups/coalitions that take a stand against criminal gangs.

***Unit of Service:*** One day of program operation in which one or more of the program prevention and intervention services listed above has been provided (per program coordinator).

***Location:*** Schools, churches, parks and neighborhoods in and around Pride Park (and Palmetto Crime Zone 2 area for 2012/2013 agreement only).

***Hours of Service:*** Monday through Sunday; times vary by activity

#### **Documentation Requirements:**

- Maintain a list of client names and addresses for those served through the agreement
- Require Acknowledgement and Consent to Release Records Forms for each client receiving services
- Maintain program files and/or individual client files reflecting services provided
- Individual Intervention Services - Individual client files to include client name, address, date of birth, and progress notes
- Group Prevention Services – Attendance sheets with client ID, date and time of presentation, location, and group sponsor attest signature



## **2012/2013 YMCA Gang Prevention, Suppression, and Intervention Program Agreement**

Scope: 6 months; April 2013 - September 2013

Maximum Annual Funding: \$106,232 - 244 units of service; \$435.38 per unit

### **PAYMENT TESTING**

The YMCA was paid \$53,120.00 and reported 325 units of service (program days) provided by the two Outreach Coordinators during the six months; 195 (60%) were deemed ineligible.

- 181 days did not report that any billable services were provided (Individual Intervention, Group Prevention).
- 14 days reported billable hours for Individual Intervention services (one on one interaction with clients, in schools) on days when schools were closed (teacher record/in-service days, summer break, weekends).

### **DOCUMENTATION TESTING**

LIST OF CLIENT NAMES AND ADDRESSES –The YMCA did not maintain a list of names and addresses of clients served for the 2012/2013 agreement. In November 2014, the YMCA provided a 10-page document titled “Master Gang Program List.” This list contains over 600 names; however, it is not dated, has incomplete and duplicate names, and does not contain addresses for most of the names provided.

ACKNOWLEDGEMENT & CONSENT FORMS - The YMCA did not obtain Acknowledgement and Consent to Release Records forms for any clients served.

#### SERVICES PROVIDED –

Individual Intervention Services - The YMCA did not maintain individual client files to include client name, address, date of birth, and progress notes.

Group Prevention Services – The YMCA did not maintain attendance sheets with client ID, date and time of presentation, location, and group sponsor attest signature.

The YMCA did provide some travel logs/calendars for the Pride Park and Palmetto Gang Outreach Coordinators; however, these records could not be verified to the billings, as they did not document the billable services performed or the clients served.

***Documentation does not exist to support any of the services billed by and paid to the Manatee YMCA for the Gang Prevention Program for the 6 months April 2013 through September 2013. This has resulted in an overpayment of \$53,120.***

## **2013/2014 YMCA Gang Prevention, Suppression, and Intervention Program Agreement**

Scope: 12 months; October 2013 - September 2014

Maximum Annual Funding: \$67,112 - 244 units of service; \$275.05 per unit

### **PAYMENT TESTING**

#### October 2013 – April 2014

The YMCA reported 137 units of service (program days) provided during the 7-month period.

- October and November 2013 - The YMCA reported 42 units of service provided and was paid \$11,184.00 (included in original Investigation Report).
- December 2013 - April 2014 - The YMCA reported 95 units of service provided, but was only paid \$17,421.20 for the 5-month period due to adjustments made by Community Services staff to current and prior billings.

In total, the YMCA was paid \$28,605.20 for 104 of the 137 units of service billed for the period October 2013 through April 2014.

Of the 137 days originally reported, 40 (29%) were deemed ineligible.

- 37 days did not report that any billable services were provided (Individual Intervention, Group Prevention).
- 3 days reported billable hours for Individual Intervention services (one on one interaction, in schools) on days when schools were closed (record day, Saturday, Presidents' Day).

May 2014 – September 2014 - The YMCA has reported, but not yet been paid, for 78 units of service for the 5-month period (\$21,453.90). Community Services and Internal Audit have deemed 27 (35%) of those days to be ineligible. All 27 days reported billable hours for Individual Intervention services (one on one interaction, in schools) on days when schools were closed (summer break).

### **DOCUMENTATION TESTING**

October and November 2013 – During the original testing, documentation did not exist to support the services reported for the Gang program during these 2 months. In a March 2014 interview, YMCA staff stated that a binder with supporting documentation for this program had recently been developed which included case notes and other support that had been created and backdated to October 2013. ***Because the support for October and November 2013 was created and backdated months after the services were billed, it is deemed to be unacceptable support. This has resulted in an overpayment of \$11,184.00.*** (Amount included in original Investigation Report.)

When reviewing documents for Phase 2 testing, it was noted that the Gang Coordinator's October and November 2013 mileage logs, which had been submitted during original testing, had been altered and resubmitted to auditors. While these changes do not affect the testing results, as none of the days billed for these two months were deemed eligible for payment, some of the alterations made were significant. For example, on 10/20/13 the original log stated "off" for the day, and a timesheet provided by the YMCA during original testing also indicated the Gang Coordinator did not work that day; however, on the new altered log, the word "off" has been crossed out and replaced with new information.

## GANG PREVENTION PROGRAM

December 2013 - March 2014 - On April 2, 2014, the YMCA provided auditors with the newly created binder of supporting documents for the Gang Prevention Program. At that time, the binder only contained records dated for October, November, and December 2013, and as noted above, these documents were created and backdated months after the services were reported and billed. There were no documents to support services reported for the period January through March 2014. In November 2014, the YMCA provided auditors with case notes and records supporting services for the entire period October 2013 through September 2014. ***Because the support for December 2013 through March 2014 did not exist when the services were performed and/or billed, and was later created and backdated, it is deemed to be unacceptable support. This has resulted in an overpayment of \$14,395.65.***

April 2014 - September 2014 - Documentation did exist and was deemed acceptable for testing.

LIST OF CLIENT NAMES – The YMCA provided a Client List which included the names and addresses of 74 individuals; however, only 63 had documentation (client files, case notes) available to support they had received any program services. Also, an additional 14 clients were identified in program documentation but were not listed on the Client List.

ACKNOWLEDGEMENT & CONSENT FORMS –The YMCA had signed consent forms for 73 of the 88 (83%) clients identified from the Client List (74) and the program documentation (14).

SERVICES PROVIDED – According to the agreement, services must be provided in schools, churches, parks and neighborhoods in and around Pride Park; to, or on behalf of, youth who reside in Pride Park. For testing purposes, services were considered eligible if the client resided in the Pride Park area or if the school where services took place was in the Pride Park area.

Pride Park is located at 815 63<sup>rd</sup> Avenue East in Bradenton. For testing, we considered a school, church, park, neighborhood, or residence to be “in the Pride Park area” if it was within the surrounding area defined as follows:

- West to 14<sup>th</sup> Street W (US 41)
- East to US 301
- North to 53<sup>rd</sup> Avenue
- South to Abel Elementary (7100 Madonna Place, Sarasota)

This included Abel, Daughtrey, and Oneco Elementary Schools; Harlee Middle School; and Visible Men Academy Charter School.

April 2014 – The YMCA reported 19 units of service provided during the month. All 19 days reported Individual Intervention Services; two of these same days also reported Group Prevention Services.

Of the 19 days billed for Individual Intervention services, 9 (47%) were supported with documentation that an eligible client received services in a school, as required in the agreement. (These 9 days also include the same two days reported with Group Prevention services.) Deficiencies identified included no documentation that services were performed in a school; and/or neither the client residence nor the school was located in the Pride Park area. ***Although the YMCA billed \$5,225.95 for the month (19 units of service), due to payment adjustments/corrections made by Community Services, the YMCA was only paid \$3,025.55 (11 units of service). Testing confirmed 9 eligible units of service (\$2,475.45), resulting in an overpayment of \$550.10.***

## GANG PREVENTION PROGRAM

May 2014 – September 2014 – The YMCA has billed \$21,453.90 and reported 78 units of service provided for Individual Intervention Services; no Group Prevention Services were provided. Of the 78 days billed, 29 (37%) were supported with documentation that an eligible client received services, as stipulated in the agreement. Deficiencies identified included no client files/progress notes for the day reported; no documentation that services were performed in a school; and/or neither the client residence nor the school was located in the Pride Park area. ***The YMCA is eligible to receive \$7,976.45 of the amount billed for the 5 months May 2014 through September 2014.***

### Y-DASH PROGRAM

Service Description: Agency shall provide Out of School Time (OST) services to Manatee County eligible youth, ages 5 through 17. Clients must meet one or more of the following eligibility areas:

- Low income (enrollment in Federal Free/Reduced lunch program)
- Latch-Key Youth (parent/guardian employed or enrolled in an education program 20+ hours)
- Significant school adjustment issues
- Significant delinquency risk factors
- Family involvement in the dependency system
- Residence in a high crime neighborhood
- History of substance abuse or other behavioral health issues

Program shall consist of, but not be limited to, sports, drama, arts and crafts, homework help, computer lab, technology clubs, dance/cheer teams, games and sewing clubs. Program shall not bill County for clients eligible for school readiness funding through Early Learning Coalition of Manatee County (ELC).

Unit of Service: One day of program operation provided per program location, defined as OST services provided a minimum of 2 hours per day during regular school days or a minimum of 6 hours on non-school days during the school year and on weekends or during school breaks.

Location & Hours: Manatee County Middle Schools: Braden River, Buffalo Creek, Haile, King, Lee, Nolan, Harlee\*, Johnson (7:00 am to start of school and dismissal to 6:00 pm), and Sugg (held at Bradenton YMCA – 6:30 am to start of school and dismissal to 6:00 pm).

\*Harlee site - Hours amended to 6:00 pm to 8:00 pm (BOCC 3/25/14). Per the YMCA, this is a youth development program, not an after school program.

#### Documentation Requirements:

- Maintain a list of client names and addresses for those served through the agreement
- Require Acknowledgement and Consent to Release Records Forms for each client receiving services
- Maintain program files and/or individual client files reflecting services provided

### **2013/2014 Y-Dash Program Agreement**

Scope: 12 months; October 2013 – September 2014

Maximum Annual Funding: \$299,795 – 1,431 units of service; \$209.51 per unit

### **PAYMENT TESTING**

October 2013 - April 2014 - The YMCA was paid \$190,778.00 (maximum allowed) and reported 1,033 units of service provided for the 7-month period. Two (2) units of service reported for November 2013 were deemed ineligible; 1 day was reported with no students in attendance and 1 day did not report 6 hours (minimum) of service on a non-school day (included in original Investigation Report).

May 2014 – September 2014 - The YMCA has reported, but not yet been paid for, 463 units of service provided for the 5-month period. When combined with the excess units from the prior 7 months, the total eligible units of service reported (1,496) exceed the contract maximum (1,431).

## Y-DASH PROGRAM

### DOCUMENTATION TESTING

As noted above, the Y-Dash Program operated at 8 of the 9 program sites as a before/after school program; services at Harlee Middle School were provided as a youth development program and took place from 6:00 pm to 8:00 pm. Because of the differences in the programs, documentation for the Harlee site was tested and reported separately from the other program sites.

In addition, while the Y-Dash Program agreement was effective for the fiscal year October 2013 through September 2014, the program operates according to school years, beginning in August and ending in June each year. Because of the crossover of two school years within the one contract year, documentation testing was performed and reported relative to both the contract year and the applicable school years as noted below.

#### ELIGIBILITY

Before/After School Programs (excludes Harlee)

School Year 2013/2014 (October 2013 through June 2014) - 645 out of 788 students signed in (82%) met program eligibility. Deficiencies identified included no eligibility information provided; students were eligible for ELC funding; and/or students were not Manatee County residents.

School Year 2014/2015 (August and September 2014) - 650 out of 730 students signed in (89%) met program eligibility. Deficiencies identified included no eligibility information provided; conflicting information reported; students were eligible for ELC funding; and/or students were not Manatee County residents.

Harlee Middle School

Only 3 clients who were documented as participants (included on program rosters and sign-in sheets) were found to have registration forms; however, no documentation was found to support program eligibility for any of these participants.

#### LIST OF CLIENT NAMES AND ADDRESSES

Before/After School Programs (excludes Harlee)

The YMCA provided a list of client names and addresses; however, this list was not tested, as the information is also documented on sign-in sheets and registration forms, which were reviewed during other documentation testing.

Harlee Middle School

The YMCA did not maintain a list of Harlee Middle School client names and addresses.

#### ACKNOWLEDGEMENT & CONSENT FORMS

Before/After School Programs (excludes Harlee)

School Year 2013/2014 - 646 out of 788 students signed in (82%) had signed Acknowledgement and Consent to Release Records forms on file.

School Year 2014/2015 - 665 out of 730 students signed in (91%) had signed Acknowledgement and Consent to Release Records forms on file.

Harlee Middle School

Of the 3 documented participants, only 1 had a signed Acknowledgement and Consent to Release Records form on file.

## Y-DASH PROGRAM

### SERVICES PROVIDED

#### Before/After School Programs (excludes Harllee)

The YMCA reported 1,431 units of service provided at the 8 before/after school program sites for the contract year. Sign-in sheets maintained for those 8 sites were reviewed and compared to the attendance counts reported with the pay requests submitted. Some differences were noted between the attendance counts reported and the counts calculated from the sign-in sheets; however, these differences were deemed to be immaterial as documentation was sufficient to support that there were students in attendance at each before/after school program location for each day of service reported. In addition, a sign-in sheet was also found to support attendance for the day noted above in payment testing, where no students had been reported in attendance (November 2013). It appears that this day would be eligible for payment.

#### Harllee Middle School

The YMCA reported 65 units of service (days) provided at the Harllee Middle School site for the contract year. Sign-in sheets were provided by the YMCA for 71 days; these correlate to 59 of the days reported in the payment requests. A review of those documents found the following:

- October 2013 – 15 days reported  
15 sign-in sheets were provided by the YMCA during the original investigation to support the days reported. 11 of these 15 sign-in sheets appear to be photocopies/altered.
- November 2013 – 4 days reported  
8 sign-in sheets were provided by the YMCA and tested during the original investigation. As noted in the Investigation Report, none of the sign-in sheets could be relied upon. 5 of the sign-in sheets were dated for January 2013; 2 sign-in sheets had altered dates; and 1 sign-in sheet was provided for a day not billed.
- December 2013 – 10 days reported  
14 sign-in sheets were provided by the YMCA in November 2014 (Phase 2 testing). 10 of the sign-in sheets support the days reported; however, all 10 sign-in sheets appear to be photocopies/altered. An additional 4 sign-in sheets were provided for days not reported; these 4 sign-in sheets also appear to be photocopies/altered. While the YMCA was made aware by Kerkering, Barberio & Co, in its July 2, 2014 Internal Consulting report, that multiple photocopies of sign-in sheets (with dates changed) were found during this time period, the YMCA still submitted these documents to auditors as support for Phase 2 testing.
- January 2014 – 12 days reported  
15 sign-in sheets were provided by the YMCA. 12 of the sign-in sheets support the days reported for the month; however, all 12 sign-in sheets appear to be photocopies/altered. An additional 3 sign-in sheets were provided for days not reported/billed; all 3 of these sign-in sheets also appear to be photocopies/altered.
- February 2014 – 18 days reported  
Sign-in sheets provided by the YMCA supported 19 days for the month; 1 of the days was not billed.
- June 2014 – 6 days reported  
No sign-in sheets were provided.

## Y-DASH PROGRAM

Using the attendance and eligibility documentation provided we further verified whether the units of service (program days) reported were supported with reliable attendance records of *eligible* participants. Testing found the following:

- Documentation was sufficient to support that there were eligible students in attendance for the 1,431 days reported for the before/after school program sites (excludes Harllee).
- Documentation was not sufficient to support any of the 65 days of service reported for the program services at Harllee Middle School. These units of service were all deemed ineligible.

Testing confirmed that 1,431 units of service (contract maximum) are properly supported and eligible for payment (\$299,795.00) for the contract year. The YMCA has been paid \$190,778.00 for services through April 2014. ***The YMCA has billed and is eligible to receive the remaining \$109,017.00 in contract funds for the 2013/2014 agreement.***

## SOUTH BRANCH PROGRAM

Service Description: Agency shall provide sports and recreational services to Manatee County youth ages 6 months through 17 years of age. Program provides activities that may include, but not be limited to, youth sports such as indoor/outdoor soccer, flag/tackle football, cheerleading, basketball, baseball, tee ball, softball, tennis, swim lessons, swim team, teen volleyball, lacrosse, and day camps.

Unit of Service: One day of program operation.

Location: Harllee Middle School

Hours of Service: Monday through Sunday; times vary by activity. During summer: 7:00am-6:00pm at Abel Elementary

Documentation Requirements:

- Maintain a list of client names and addresses for those served through the agreement
- Require Acknowledgement and Consent to Release Records Forms for each client receiving services
- Maintain program files and/or individual client files reflecting services provided

### **2012/2013 South Branch Program Agreement**

Scope: 6 months; April 2013 - September 2013

Maximum Annual Funding: \$32,750 - 260 units of service; \$125.97 per unit

## **PAYMENT TESTING**

The YMCA was paid \$14,360.58 and reported 114 units of service provided for the 6 month period.

## **DOCUMENTATION TESTING**

LIST OF CLIENT NAMES AND ADDRESSES – The YMCA provided a list containing 400 client names; however, the list was not dated and did not contain addresses for many of the names provided. Dates of birth were also documented for more than half of the clients listed, and it was noted that several of the clients may not have been eligible for services, as they reached 18 years of age during the contract period.

ACKNOWLEDGEMENT & CONSENT FORMS – The YMCA obtained Acknowledgement and Consent to Release Record forms for 16 of the 400 clients (4%) reported on the list.

## SOUTH BRANCH PROGRAM

SERVICES PROVIDED – The YMCA provided various program flyers, rosters, and registration forms to support the programs provided. A review of those documents found deficiencies, including:

- several program flyers did not contain dates (year) to identify when activities were held;
- participant rosters and/or program registration forms did not exist for many of the program activities including soccer, flag football, basketball, cheerleading, and skills/drills programs.

Sign-in sheets were provided by the YMCA to support the 114 days of service reported. Testing identified the following:

- On November 24, 2014, while auditors were scanning records at the YMCA, the Clerk's Office General Counsel received a letter from the YMCA's counsel stating that 24 sign-in sheets for the South Branch program, which had already been provided to auditors, had subsequently been identified by the YMCA as having been altered. These included sign-in sheets for April (3), July (8) and August (13) 2013.
- Through testing, auditors found an additional 18 altered/photocopied sign-in sheets that had been provided by the YMCA. These included sign-in sheets for April (2) and July (16) 2013. *These documents were not identified or reported by the YMCA.*
- A sign-in sheet was submitted for a day which was not reported/billed.

Of the 114 days reported, 42 (37%) were supported with altered and/or photocopied sign-in sheets, and 71 (62%) had insufficient documentation to support the services reported. ***In total, 1 day (\$125.97) of the 114 reported for the period April 2013 through September 2013 could be verified with reliable documentation, including attendance records, to support that services were provided as stipulated in the agreement. This resulted in an overpayment of \$14,234.61.***

## SCHOOL AGE CHILD CARE PROGRAM

Service Description: Agency shall provide School Age Child Care services for Manatee County youth enrolled in kindergarten through fifth grade who attend the YMCA's contracted school sites and meet program eligibility criteria. Program shall consist of, but not be limited to, sports, drama, arts and crafts, homework help, computer lab, technology clubs, dance/cheer teams, games and sewing clubs.

- Clients shall be considered eligible if their economic circumstances are at or below the Florida Income Eligibility Guidelines for the Free and Reduced Lunch program.
- Program shall not bill County for clients eligible to receive school readiness funding through the Early Learning Coalition of Manatee County (ELC).

Unit of Service: One day of program operation provided per program location

Location: School days – Bayshore, Prine, Stewart Elementary Schools; Bradenton Branch YMCA for Moody Elementary. Non-school days (winter, spring, summer breaks) – Bradenton and Lakewood Ranch Branches.

Hours of Service: School days – 6:30 am until school begins; school dismissal until 6:00 pm. Camp Program – extended school vacation breaks/summer Monday through Friday 7:00 am – 6:00 pm.

Documentation Requirements:

- Maintain all records for documentation of eligibility
- Maintain a list of client names and addresses for those served through the agreement
- Require Acknowledgement and Consent to Release Records Forms for each client receiving services
- Maintain program files and/or individual client files reflecting services provided



### **2012/2013 School Age Child Care Program Agreement**

Scope: 12 months; October 2012 through September 2013

Maximum Annual Funding: \$16,554 - 750 units of service; \$22.08 per unit

The YMCA was paid \$8,274.00 and reported 493 units of service provided (max 375 billable) for the 6-month period October 2012 through March 2013. During the original investigation, payment testing found 192 of the 493 units of service (days) to be ineligible. Documentation testing identified additional unsupported days resulting in an overpayment of \$2,069.52 for the 6-month period.

On July 8, 2014, after the investigation report was issued, the Community Services Department received a check for \$668.12 from the YMCA along with documentation (amended monthly unit tracking forms, rosters, attendance information) correcting the units of service previously billed for the 2012/2013 contract year. In November 2014, the YMCA provided auditors with the revised documents for the entire 12 month contract year. These amended documents were examined during Phase 2 testing.

### **PAYMENT TESTING**

The YMCA was paid \$15,323.52 and originally reported 694 units of service provided for the year. In July 2014, the YMCA revised this to 533 (\$11,768.64). This decrease of 161 units reported was due to the following adjustments made by the YMCA:

- 213 days were removed where no students were reported in attendance.
- 47 days where no students were reported in attendance were changed to now show that students were in attendance.
- 6 days were added for services at the Lakewood Ranch branch which were not previously requested/reported.
- 1 day was removed and now reports zero students in attendance when it previously reported there were students in attendance.

The reduction in units of service reported would result in a reduction in payment of \$3,554.88. The YMCA refunded \$668.12.

### **DOCUMENTATION TESTING**

Although the School Age Child Care Program agreement is effective for the fiscal year October 1<sup>st</sup> through September 30<sup>th</sup>, the program operates according to the school year, beginning in August and ending in June. Because of the crossover of two school years within the one contract year, documentation testing was performed relative to both the contract year and the applicable school years as noted below.

ELIGIBILITY - Financial assistance applications and related supporting documentation were reviewed for all children listed on the monthly billing requests during the contract year.

School Year 2012/2013 (October 2012 through June 2013) – 20 out of the 35 students (57%) reported were found to have adequate documentation of income eligibility for the program.

School Year 2013/2014 (August and September 2013) - 1 out of the 6 students (17%) reported was found to have adequate documentation of income eligibility for the program.

ELC FUNDING - 2 students were eligible for ELC funding during the audit period tested, and therefore, not eligible for the School Age Child Care Program funding.

## SCHOOL AGE CHILD CARE PROGRAM

LIST OF CLIENT NAMES AND ADDRESSES – The YMCA provided a list of client names and addresses; however, this list was not tested as the information is also documented on sign-in sheets and registration forms which were reviewed during other documentation testing.

### ACKNOWLEDGEMENT & CONSENT FORMS

School Year 2012/2013 - 29 out of 35 students signed in (83%) had signed Acknowledgement and Consent to Release Records forms on file.

School Year 2013/2014 - 3 out of 6 students signed in (50%) had signed Acknowledgement and Consent to Release Records forms on file.

SERVICES PROVIDED – Sign-in sheets maintained for the program sites were reviewed and compared to the attendance information reported with the monthly pay requests submitted. Sign-in sheets did exist for each of the days reported with only slight differences noted between the attendance reported and the attendance supported with sign-in sheets.

Using the sign-in sheets and eligibility documentation we further verified whether all units of service (program days) reported were supported with attendance records of *eligible* participants. The findings are detailed in the chart below:

Program Location	Oct 2012 - Mar 2013		Apr 2013 - Sep 2013	
	Days Requested Per Revised RFP	Days with Eligible Child	Days Requested Per Revised RFP	Days with Eligible Child
Bayshore	103	103	71	48
Prine	-	-	-	-
Stewart	100	66	58	44
YMCA Academy	108	103	79	76
Brad Br Camp	8	13	-	1
LWR Camp	6	6	-	-
Totals	<u>325</u>	<u>291</u>	<u>208</u>	<u>169</u>

October 2012 – March 2013 – The YMCA was paid \$8,274.00 for the 6-month period. Testing in the original investigation found 281 units of service were supported and eligible for payment (\$6,204.48) for the 6-month period. This resulted in an overpayment to the YMCA of \$2,069.52. As noted above, revised payment requests were submitted by the YMCA in which adjustments were made to the units of service reported. Testing of these amended documents found 291 units of service supported and eligible for payment (\$6,425.28). ***This has resulted in an overpayment of \$1,848.72, and represents a \$220.80 reduction to the overpayment identified in the original investigation report.***

April 2013 – September 2013 – The YMCA reported 208 units of service provided, and was paid \$7,049.52 (payment included excess rollover units from prior months), for the 6-month period. Testing found 169 units of service supported and eligible for payment (\$3,731.52). ***This has resulted in an overpayment of \$3,318.00.***

## **MIDDLE SCHOOL PROGRAM**

Service Description: Agency shall provide activities for before and/or after school services, at middle school locations to Manatee County youth in grades six through eight. Program shall consist of, but not be limited to sports, drama, arts and crafts, homework help, computer lab, technology clubs, dance/cheer teams, games and sewing clubs.

Unit of Service: One day of program operation provided per program location

Location: Manatee County Middle Schools: Braden River, Buffalo Creek, Haile, Johnson, Lincoln, King, Lee, and Nolan

Hours of Service: Monday through Friday in accordance with the Manatee County School calendar. 7:00 am until school begins, and dismissal until 6:00 pm.

Documentation Requirements:

- Maintain a list of client names and addresses for those served through the agreement
- Require Acknowledgement and Consent to Release Records Forms for each client receiving services
- Maintain program files and/or individual client files reflecting services provided

## **2012/2013 Middle School Program Agreement**

Scope: 6 months; April 2013 - September 2013

Maximum Annual Funding: \$185,822 - 1,200 units of service; \$154.86 per unit

## **PAYMENT TESTING**

The YMCA was paid \$92,912.00 and reported 624 units of service (max 600 billable) for the 6-month period. Testing identified 2 units of service as ineligible (no students reported in attendance).

## **DOCUMENTATION TESTING**

LIST OF CLIENT NAMES AND ADDRESSES – The YMCA provided a list of client names and addresses; however, this list was not tested as the information is also documented on sign-in sheets and registration forms, which were reviewed during other documentation testing.

ACKNOWLEDGEMENT & CONSENT FORMS –The YMCA did not obtain Acknowledgement and Consent to Release Records forms for 5 of the 41 (12%) participants tested.

SERVICES PROVIDED – Sign-in sheets for each of the 8 program sites were reviewed and compared to the student attendance counts reported on the monthly tracking forms submitted for payment. Deficiencies identified included the following:

- Sign-in sheets did not exist for 8 days reported for Lincoln Middle (May 2013, August 2013).
- Sign-in sheets were provided for Sugg Middle for April, May, and September 2013; however, Sugg Middle was not a contracted site, and no program services were reported or billed for the site.

To test the accuracy of the number of students reported, one month (September 2013) of sign-in sheets was reviewed and compared to the billings submitted. Only slight differences were found between the attendance counts reported by the YMCA and the attendance supported by the sign-in sheets. The differences were deemed to be immaterial, as documentation was sufficient to support there were students in attendance at each location for the days reported. In addition, a sign-in sheet was found to support attendance for the 2 days noted above in payment testing, where no students had been reported in attendance. It appears these days would also be eligible for payment.

Testing found 616 units of service to be adequately supported and eligible for payment. This exceeds the allowable maximum contracted amount for the 6-month period (600). This has resulted in no amounts due to or from the YMCA for the Middle School program.

## CONCLUSION

Based on our review of documentation obtained during Phase 2 testing, we conclude that an additional \$77,421.11 in payments to the YMCA was not adequately supported with proper documentation as required in the Children's Services program funding agreements. We also conclude that the YMCA has submitted additional falsified and/or altered documents to Manatee County as support for the funding received.

We conclude that the total amount due back from the YMCA for the 2011/2012, 2012/2013, and 2013/2014 agreements, which includes the Gang Prevention, South Branch, School Age Child Care, Summer, and Middle School programs is \$263,193.00. This amount reflects \$186,440.01 in overpayments identified in the original investigation, \$77,421.11 in overpayments identified in Phase 2 testing, the \$668.12 refund paid by the YMCA in July 2014, and incorporates adjustments made as a result of the amended 2012/2013 School Age program billings submitted by the YMCA.

We further conclude that Manatee County owes the YMCA \$109,017.00 for services provided and reported, but not yet paid, for the 2013/2014 Y-Dash Program agreement for the period May 2014 through September 2014.

The net amount due back to Manatee County from the YMCA for unsupported program funding received for the contract years ended September 30, 2012, 2013, and 2014 is \$154,176.00.



Lori Stephens, CPA, CFE  
Director of Internal Audit

### AUDIT TEAM:

Bobbie Windham, CIA, CFE  
Deputy Director of Internal Audit

Glen Riley, CPA  
Senior Internal Auditor

Martye Gruhl  
Senior Internal Auditor

Jennifer Bal, CPA  
Senior Internal Auditor