



Memorandum



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To: The Honorable Carlos A. Gimenez, Mayor, Miami-Dade County
The Honorable Jean Monestime, Chairman
and Members, Board of County Commissioners, Miami-Dade County

From: Mary T. Cagle, Inspector General

Date: April 21, 2015

Subject: Four More Defendants Charged in the Scheme of False Referrals Made to the County's Former Child Development Services Division; Ref. IG13-06

In February 2015, the OIG reported the arrests of three defendants who organized a scheme to defraud the State of Florida's Child Readiness Program (the Program).¹ Four additional defendants were recently arrested as part of the same scheme. The criminal charges all concern false referrals made to the County's former Child Development Services Division [previously a division of the Community Action & Human Services Department (CAHSD)]. CAHSD processed the referrals pursuant to a contract with the Early Learning Coalition,² for subsidized child care and pre-school services made available through the Program. The false referrals, designating children as "at-risk" when they were not, came from the Children's Home Society (CHS), a subcontractor to Our Kids (the State of Florida Department of Children and Families' Lead Agency for the Miami-Dade/Monroe region).

These four additional defendants were all employees of CHS. They were criminally charged with submitting forged documents to expedite the enrollment of their friends and family members' children into the Program. The referrals falsely designated the children as "at-risk" for immediate placement into the Program, and they contained the forged signatures of CHS supervisors. Classifying the children as at-risk advanced them in the priority of eligibility for the Program. These falsified and forged referrals were unknowingly received and processed by CAHSD.

¹ See OIG Memorandum, dated February 26, 2015, reporting on *Trio Arrested for Fraudulently Designating Children as "At-Risk" in Referrals to the County's Former Child Development Services Division*, <http://www.miamidadeig.org/newsreleases2015/IG13.06CHSarrests.pdf>.

² The County's contract with the Early Learning Coalition to receive and process these referrals ended in July 2013.

The four new defendants surrendered to the Court last month and were officially charged with Uttering Forged Instruments—for knowingly submitting the phony referrals. Three of the defendants entered into plea agreements with the State Attorney's Office. The fourth defendant, Jacqueline Johnson, was in court today and had her case set for trial. Ms. Johnson joins the trio of defendants charged in February who are also facing trial.

The three defendants who have entered into plea agreements will be cooperating with prosecutors in the cases against the trio who organized the scheme. (The trio, as previously reported on by the OIG, is being prosecuted for lining their own pockets by charging other parents anywhere from \$100 to \$500 for each phony referral.) In addition to their cooperation, these three defendants will each be required to complete the Pre-Trial Intervention Program, pay restitution to the State of Florida Office of Early Learning, pay costs of investigation to the OIG, and complete at least 50 hours of community service.

A total of seven defendants have now been arrested in this investigation. With today's court action, this last defendant's case was set for trial. The OIG will apprise you of the outcomes of these four remaining prosecutorial proceedings.

cc: Alex Ferro, Chief of Staff, Office of the Mayor
Russell Benford, Deputy Mayor
Lucia Davis-Raiford, Director, CAHSD
Cathy Jackson, Director, Audit and Management Services Department
Charles Anderson, Commission Auditor
Rodney McKinnon, Director, Office of Early Learning, State of Florida
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Evelio Torres, CEO, Early Learning Coalition of Miami-Dade/Monroe
Jackie Gonzalez, CEO, Our Kids of Miami-Dade/Monroe, Inc.
Rebecca McGuire, Executive Director, Children's Home Society