



OFFICE OF INSPECTOR GENERAL  
PALM BEACH COUNTY

LIMITED REVIEW  
REVIEW NUMBER: 2011-0005

Sheryl G. Steckler  
Inspector General

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May 24, 2011

Jon Van Arnam  
Assistant County Administrator  
301 N Olive Ave, 11<sup>th</sup> floor  
West Palm Beach, FL 33401

**REDACTED**

Re: Adoption by Shepherd's Care

Mr. Van Arnam,

At your request on April 26, 2011, we conducted a Limited Review of a contract between Palm Beach County (PBC) Board of County Commissioners and Adoption by Shepherd's Care (ASC) concerning questionable invoices submitted for payment by ASC. Per Community Services (CS) staff, they were specifically concerned about charges for ASC clients [REDACTED] and [REDACTED] (hereafter referred to as Client 1 and Client 2) as they could not determine if these clients were residents of PBC during the timeframe ASC was billing CS for services provided to them. CS staff were also concerned about the possibility of double billing on the part of ASC.

ASC submitted invoices for the rental of a Boca Raton apartment, an electric bill for the same apartment, food and other supplies for Client 1 for November 2010, totaling \$1,112.50.

Our review determined Client 1 stayed in PBC continuously from late November 2010 through mid February 2011. According to Client 1, ASC paid for her rent and utilities and gave her \$60 per week for food while she stayed in PBC.

ASC submitted invoices for dental work and transportation for Client 2 for services rendered on October 19 and 20, 2010 totaling \$6,589.39. No clothing, food, housing or utility invoices were submitted by ASC to CS for Client 2. No PBC address for Client 2 has been provided by ASC to CS to indicate she was a resident of PBC on October 19 or 20, 2010.

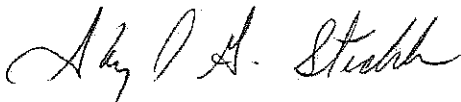
Our review determined that Client 2 receives mail at one of the Orlando area addresses that appear on one of the dentist invoices. We were unable to locate Client 2 to determine whether Client 2 was a resident of PBC on October 19 or 20, 2010.

During the course of our review, we note the following:

1. Emails between CS and ASC indicated a lack of a clear definition of what constituted residency. Absent a definition, we are unable to determine client eligibility pertaining to residency. For example, is living in PBC for approximately five months as in Client 1's case the standard to qualify as a resident or is being in PBC for two days as in Client 2's case sufficient to satisfy the residency requirement? We recommend for other contracts where residency is a criteria, that residency be specifically defined to ensure eligibility.
2. ASC uses a billing approach which requests reimbursement for the same services from multiple parties. In Client 1's case, ASC billed four separate parties - CS, A Chosen Child (another nonprofit in the Orlando area) and two separate sets of potential adoptive parents. Neither Chosen Child nor the potential adoptive parents reimbursed ASC.
3. The Department of Children and Families (DCF) has filed an Administrative Complaint against ASC which could lead to revocation of ASC's license. DCF's case against ASC involves the alleged pressuring of a birth mother to sign consent forms for placing her child for adoption and the alleged lack of due diligence in attempting to locate and obtain consent from the biological father.
4. During the course of this review, we located a proposed bill (HB 501/SB 196) which was subsequently passed in both the Florida House and Senate. This legislation will change the way proceeds from the "Choose Life" specialty plates will be disbursed. Upon signature of the governor, beginning July 1, 2011, the State of Florida will distribute all proceeds to Choose Life, Inc. directly, therefore eliminating county involvement.

If you have any questions regarding our findings, please contact Investigator Leo Allen of our office at (561) 233-2350.

Sincerely,



Sheryl G. Steckler  
Inspector General

Attachment

## **Governing Directives:**

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Florida State Statute 320.08058 (29) effective date July 1, 1999:

### **CHOOSE LIFE LICENSE PLATES.—**

(a) The department shall develop a Choose Life license plate as provided in this section. The word "Florida" must appear at the bottom of the plate, and the words "Choose Life" must appear at the top of the plate.

(b) The annual use fees shall be distributed annually to each county in the ratio that the annual use fees collected by each county bears to the total fees collected for the plates within the state. Each county shall distribute the funds to nongovernmental, not-for-profit agencies within the county, which agencies' services are limited to counseling and meeting the physical needs of pregnant women who are committed to placing their children for adoption. Funds may not be distributed to any agency that is involved or associated with abortion activities, including counseling for or referrals to abortion clinics, providing medical abortion-related procedures, or proabortion advertising, and funds may not be distributed to any agency that charges women for services received.

1. Agencies that receive the funds must use at least 70 percent of the funds to provide for the material needs of pregnant women who are committed to placing their children for adoption, including clothing, housing, medical care, food, utilities, and transportation. Such funds may also be expended on infants awaiting placement with adoptive parents.

2. The remaining funds may be used for adoption, counseling, training, or advertising, but may not be used for administrative expenses, legal expenses, or capital expenditures.

3. Each agency that receives such funds must submit an annual attestation to the county. Any unused funds that exceed 10 percent of the funds received by an agency during its fiscal year must be returned to the county, which shall distribute them to other qualified agencies.

PBC contract R2011 0178 with ASC was approved by the PBC Board of County Commissioners (BCC) on February 15, 2011 for services provided between October 1, 2010 and September 30, 2011:

Article 1 – Services – "The agency agrees to provide services to residents of Palm Beach County as set forth in the Scope of Work and Services in Exhibit A." [emphasis added]