



*State of Louisiana*

**OFFICE OF  
STATE INSPECTOR GENERAL**

**FALSIFIED DOCUMENTATION OF VOLUNTEER SERVICES**

**Report by**

**Inspector General Bill Lynch**

**Prepared for**

**Governor M.J. "Mike" Foster, Jr.**

**February 12, 1999**

**File No. 1-99-0017**



*State of Louisiana*

**OFFICE OF  
STATE INSPECTOR GENERAL**

**Falsified Documentation of Volunteer Services**

January 20, 1999

Report by

A handwritten signature in cursive script, appearing to read "B L", written over a horizontal line.

Inspector General Bill Lynch

Approved by

A handwritten signature in cursive script, appearing to read "M J Foster", written over a horizontal line.

Governor M.J. "Mike" Foster, Jr.

File No. 1-99-0017

# Falsified Documentation of Volunteer Services

The Central Louisiana Community Action Council falsified the number of hours worked by volunteers in its Head Start Program in order to meet the requirements for federal matching funds in a \$4.8 million project in Rapides Parish. The total hours of volunteer services claimed were valued at \$330,386 in matching funds during the period reviewed. It could not be determined how many hours were overstated.

Fifteen volunteers who were contacted stated that the hours attributed to them in the documentation were inaccurate.

## Background

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The CENLA Community Action Council is a nonprofit organization, which provides various services to the low-income community of Rapides Parish. The Action Council receives over 75% of its funding from the Head Start grant, which is awarded directly from the federal Department of Health and Human Services.

The program cost was budgeted at \$4.8 million, with the federal government supplying \$3.9 million. CENLA was supposed to put up the remainder through in-kind contributions, which in this case included the number of hours worked by volunteers, donated materials, and office space.

The number of hours worked by the volunteers was misrepresented in order for CENLA to match the federal funds. Volunteers who were contacted stated the number of hours attributed to them was overstated, but they could not say by how much.

Under federal regulations, the Head Start federal grant funds cannot exceed 80% of the total costs of the Head Start program.

Although the Head Start Program is funded directly by federal and in-kind match, CENLA also receives federal funds through the state departments of Education, Labor and Social Services for other programs it conducts. Regulations require a single audit involving all expenditures and receipts regardless of the source.

The period reviewed by us was April through September, 1998, which accounted for the \$330,386 in claimed volunteer services. The figure will rise by the end of March, 1999, when the grant program expires.

The Head Start grant, along with the Child and Adult Care Food Program grant, supports the Action Council's 12 Head Start Child Development centers located throughout the parish. The Child and Adult Care Food Program grant is a federal Department of Agriculture grant, which is administered by the Louisiana Department of Education.

The Action Council's other significant fund sources are the federal Department of Health and Human Services, Community Service Block Grant and Low-Income Home Energy Assistance programs. The Community Service Block Grant funds are administered by the Louisiana Department of Labor, and the Low-Income Home Energy Assistance funds are administered by the Louisiana Department of Social Services.

## Volunteer Services

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Documentation of volunteer services for the Action Council's Head Start program from April through September, 1998, was falsified. The services were valued at \$330,386.

The Action Council is required to obtain \$973,470 in in-kind contributions for the Head Start Program for the April, 1998, through March, 1999, grant period. Total funds needed for the program are \$4,867,346, of which \$3,893,876 was provided by the Head Start grant.

In-kind contributions are allocated to each of the 12 Head Start centers based on enrollment size per center. The centers obtain the allocated contributions by recruiting parents and other individuals in the community to volunteer their services or donate materials.

Volunteer services are calculated monthly at each center on a cumulative report. Supporting documentation for the reports consists of weekly volunteer time sheets and vouchers. The weekly time sheets indicate the number of hours donated per day per volunteer. The vouchers indicate the number of hours donated for each volunteer per week. The volunteers are supposed to sign both forms.

Supporting documentation for 5 of the 12 Head Start centers, including the 2 largest centers, was reviewed. According to the documentation, 160 volunteers contributed their services during June, 1998. The documentation was cross-referenced to volunteer applications and child enrollment forms in order to obtain contact information for the June volunteers. A list of 61 volunteers was compiled containing phone numbers and/or addresses. From our list, we were able to contact and interview 34 volunteers.

Of the 34 volunteers interviewed, 15 questioned the number of hours indicated as volunteered on the documents. Of the 15 who questioned the hours, 11 stated that they were sure they had not volunteered the hours indicated. Some examples of reasons the volunteers disputed the hours indicated on the documentation are as follows:

1. The documentation indicated that two volunteers contributed 7 hours per day from June 1, 1998, through June 23, 1998, for a total of 126 hours each. One volunteer stated that she worked at night and contributed time for only 4 or 5 days in June. The other volunteer stated that she contributed time for only a couple of hours, 2 days per week in June.
2. The documentation indicated that during June, 1998, one individual contributed 42 hours, and another individual contributed 27 hours. Both individuals stated that they are employed full-time and have never volunteered their services at the centers.
3. The documentation indicated that during June, 1998, one individual contributed 33 hours. The individual stated that she was out-of-town during June and could not have volunteered her services.

Of the 34 volunteers interviewed, 13 stated that they signed blank documents. Head Start center staff stated that the volunteers usually signed blank forms at the beginning of the week, and the number of hours volunteered was entered at the end of the week by the center staff.

Of the 34 volunteers interviewed, 2 volunteers reviewed their time sheets and vouchers and stated that they had not signed the documents and they had not volunteered their time during June, 1998. Sample signatures were obtained from the volunteers, which differed significantly from the signatures on the documentation. A teacher's handwriting on one of the class roll books was noted to be similar to the signatures on the documentation for one of the volunteers. The teacher of the class verified the handwriting on the class roll book as hers. However, she denied signing the documents for the volunteer.

*Conclusions:*

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1. Supporting documentation for volunteer services valued at \$330,386 was falsified. Therefore, the Action Council may not be able to reach the 20% of in-kind contributions required by the Head Start grant
2. The practice of volunteers signing the supporting documentation in blank does not provide assurance that the number of hours contributed is accurate.

*Recommendations:*

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3. This report is being referred to the federal Department of Health and Human Services.
4. Volunteers should not sign the supporting documentation until all information on the forms has been completed.

*Management Response:*

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See Attached.

*IG Comment:*

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CENLA's response indicates that management has recognized the seriousness of the findings reported and has proposed action to rectify the existing situation.

BL/CS

File No. 1-99-0017



**CENLA COMMUNITY ACTION COMMITTEE, INC.**

(CCAC)

230 Bolton Avenue

Alexandria, Louisiana 71301

Phone (318) 487-5878 • Fax (318) 487-5858

**B. D. Douglas**  
Chairman, Board of Directors

**Joan A. Lee**  
Executive Director

January 19, 1999

Mr. Bill Lynch  
State Inspector General  
Office of State Inspector General  
Post Office Box 94095  
State Capitol Annex  
Baton Rouge, Louisiana 70804-9095

In reply, please refer  
To File No. 1-99-0017

Dear Mr. Lynch:

Cenla Community Action Committee, Inc. is in receipt of your draft document reference "Falsified Documentation of Volunteer Services." We are required to match federal funds in a \$4.8 million dollar program operated by this agency. The non-federal match is \$973,470.

While our matching fund requirement has escalated due to receipt of needed expansion, cost of living allowance and Quality Improvement funds, our volunteer pool has begun to decrease because of participation in the Welfare to Work Initiative. This by no means justify improper documentation of volunteer services or the appearance of falsification of records, but it does make it harder to secure the required matching funds through volunteer services. However, I do not want this to reflect negatively on our ability to secure our non-federal match. We have proposed more creative ways to secure our match along with ensuring that all in-kind which is given to our program is properly documented and validated. Additionally in-kind which has been previously overlooked is being documented.

In the future to prevent any hint or suspicion that volunteer hours are being over stated, the following activities/practices have taken place and will be adhered to:

1. Volunteers will not sign blank supporting documentation for in-kind services.

Mr. Bill Lynch  
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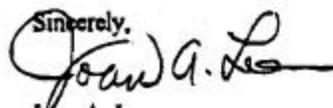
2. Random samplings of in-kind will be conducted by Family Service Workers to verify time as certified by Teachers/Assistants, Center Supervisors and donors.
3. A workshop on documentation of in-kind was held for central office staff, Family Service Workers and Center Supervisors. This workshop was conducted by Ms. Beverly Washington, CPA. Ms. Washington conducts on-site fiscal reviews for the Head Start Regional Office in Dallas.
4. The Board President, Executive Director, Head Start Director, Financial Manager and the Volunteer Coordinator attended a workshop on Non-Federal Share during the Region VI Head Start Mid Winter Leadership Conference, January 12-14, 1999.
5. A letter was sent to parents encouraging them to provide volunteer services, giving examples of ways they can volunteer their services, and the importance of properly documenting their volunteer hours. This will be done quarterly.
6. Meetings with the appropriate center staff have been and will be conducted routinely by the Volunteer Coordinator to ensure that volunteers do not sign blank in-kind supporting documents, and all in-kind services are properly documented. Disciplinary action will be taken against any staff for non-compliance with above.

Since the amount over stated for volunteer hours for the period April - September 1998 could not be determined, we are asking you to consider allowing us to claim at least ninety percent (90%) of the \$330,386 in matching fund which was claimed during this period.

Your approval of our request will ensure that this agency will meet its non-federal match for fiscal year 1998-1999.

Further, the activities/practices outlined above which have been put in place and our concerted and innovative efforts to generate in-kind, documentation of previous overlooked in-kind and a reduction in the dependence on volunteer hours to meet our non-federal match will ensure that inappropriate practices will not occur.

Thank you in advance for your positive consideration in this matter.

Sincerely,  
  
Jean A. Lee  
Head Start Director

JAL:ssc

cc: Mr. B.D. Douglas  
CCAC Board President