

STATE OF LOUISIANA

OFFICE OF STATE INSPECTOR GENERAL



TEEN PREGNANCY PREVENTION PROGRAM

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STATE OF LOUISIANA

OFFICE OF STATE INSPECTOR GENERAL



TEEN PREGNANCY PREVENTION PROGRAM

Stephen B. Street, Jr.
State Inspector General

 **Approved by:**
Governor Bobby Jindal

June 13, 2008

File No. 1-08-0001

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BOBBY JINDAL
GOVERNOR

STEPHEN B. STREET, JR.
STATE INSPECTOR GENERAL

State of Louisiana
Office of the Governor
Office of State Inspector General

June 13, 2008

Honorable Bobby Jindal
Governor of the State of Louisiana
P.O. Box 94004
Baton Rouge, LA 70804-9004

Re: Case No. 1-08-0001

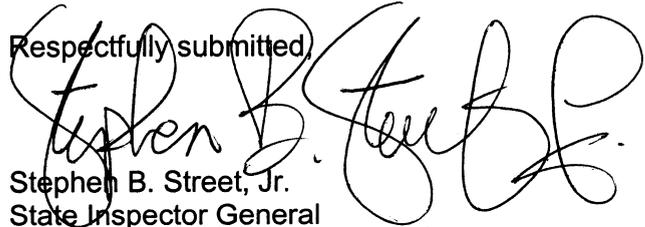
Dear Governor Jindal:

This report addresses concerns raised about a Teen Pregnancy Prevention contract awarded by the Department of Social Services to the Community School for Apprenticeship Learning (Community School). The report includes eight recommendations summarized as follows:

- Two recommendations for the Community School and its subcontractor, Aspirations Wholistic Tutorial Services, to properly report income to the Internal Revenue Service,
- One recommendation to refer the report to the Office of the State Attorney General,
- Two recommendations that, if implemented, would ensure the Department of Social Services reimburse the Community School only for the actual hours of service provided that are eligible under the program, and
- Three recommendations that, if implemented, would improve operations of Southern University's Service Learning Program.

We provided drafts of the report to the Community School, Aspirations Wholistic Tutorial Services, Southern University, and the Department of Social Services. Written responses are included as Appendix A of the report.

Respectfully submitted,


Stephen B. Street, Jr.
State Inspector General

SBS/cs

Enclosure

Executive Summary

The Community School for Apprenticeship Learning, Inc. (Community School) improperly wrote 29 checks totaling \$23,146 to the staff of its subcontractor, Aspirations Wholistic Tutorial Services, Inc. (Aspirations). In 2006, Community School wrote 26 of the checks totaling \$20,866, and in 2007, Community School wrote three additional checks totaling \$2,280. Fourteen of the checks in 2006 totaling \$11,308, and one check in 2007 totaling \$678 were for students from Southern University (Southern) who were providing volunteer services to Aspirations.

Community School also improperly reported income in 2006 on federal 1099 forms for 11 of Aspirations' staff totaling \$16,360. Seven of the 1099s totaling \$11,276 were for the student volunteers. Community School's contractual relationship was with Aspirations and not with Aspirations' staff.

In addition, the owner and director of Aspirations, Ms. Joyce Turner Keller, either deposited the 29 checks in Aspirations' bank account or cashed the checks. The checks were endorsed "For Deposit Only" and/or endorsed with the payee's name and Ms. Keller's. However, Ms. Keller did not report the income Aspirations received from Community School on its 2006 federal tax return.

Community School overcharged the Louisiana Department of Social Services (Social Services) \$49,919 for 11,858 service hours on monthly invoices under two Teen Pregnancy Prevention Program (Pregnancy Prevention) contracts during the 15-month period beginning June 1, 2006 through August 31, 2007. The service hours are ineligible for reimbursement due to missing birthdates for participants, under-aged participants, double billing of services hours, and service hours that were unsupported by attendance sheets.

Southern's Center for Service Learning is unable to provide adequate information concerning students enrolled in its Service Learning Program in a timely manner, and, therefore, has no way to quickly obtain the whereabouts of a student enrolled in the program in the event of an emergency. In addition, students enrolled in the program accepted cash for the volunteer services they provided to Aspirations, and may have put themselves and Southern at risk when they transported Pregnancy Prevention participants of Aspirations in their personal vehicles.

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Background

In 1996, federal welfare reform legislation enacted the Personal Responsibility and Work Opportunity Reconciliation Act, which established the Temporary Assistance for Needy Families (TANF) Program. The U.S. Department of Health and Human Services administers TANF funds to Louisiana through block grants, which fund Louisiana's three main TANF Programs: the Family Independence Temporary Assistance Program, the Kinship Care Subsidy Program, and the Strategies to Empower People Program.

In addition to the three main TANF Programs, the Louisiana legislature allocates unspent TANF funds to a variety of programs called TANF Initiatives. Pregnancy Prevention is one of these initiatives and is designed to help youths delay sexual activity, reduce the occurrence of high-risk behaviors that leads to teen pregnancies, and increase educational and work opportunities with the goal of ending dependence on governmental assistance. The Social Services Office of Family Support is the administrator of Pregnancy Prevention, and enters into contracts with community and school-based organizations to provide teen pregnancy prevention services.

Community School is a private non-profit corporation established in 1997 as an East Baton Rouge Parish charter school that serves 6th through 8th grade students. The current school director and principal is Mr. Dujan Johnson. Social Services entered into two contracts with Community School to provide Pregnancy Prevention services to at-risk youths, ages 11 through 20. The first contract was for \$150,885 from June 1, 2006 through February 28, 2007, and the second contract was for \$199,885 from March 1, 2007 through February 29, 2008. Community School's Pregnancy Prevention program director is Mr. A.J. Jones.

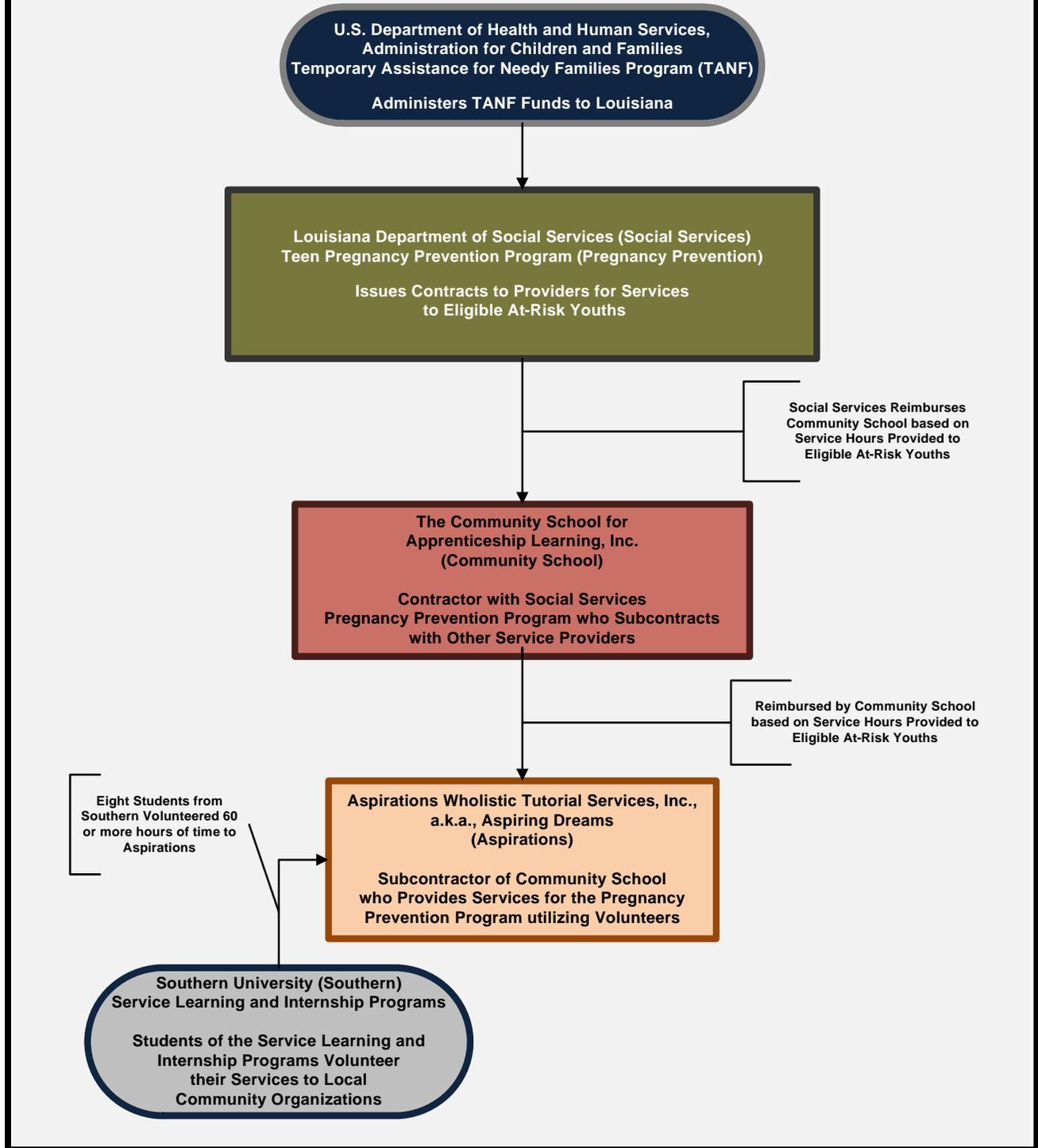
Community School subcontracted with various community service organizations to provide services under its Pregnancy Prevention contracts. As part of the contracts, Community School and its partners were to provide Pregnancy Prevention services to between 140 and 155 middle and high school students in East Baton Rouge both before and after school and during the summer months.

Aspirations, also known as Aspiring Dreams, subcontracted with Community School under the two Pregnancy Prevention contracts to provide mentoring and other services to approximately 15 youths at its facilities. Aspirations is a non-profit organization incorporated in 2003 by Ms. Keller.

Eight of Aspirations 17 staff members who provided services under the Pregnancy Prevention contracts were volunteers from Southern. Six of the students provided volunteer community services as part of Service Learning course requirements, and two of the students provided volunteer community services as part of internship requirements.

The flowchart on the following page details the flow of Pregnancy Prevention funds and services in our audit.

Flow of Teen Pregnancy Prevention Program Funds and Services



Scope and Methodology

We conducted our audit in accordance with *Principles and Standards for Offices of Inspector General* as promulgated by the Association of Inspectors General.

The Office of State Inspector General received a complaint concerning problems with the two Pregnancy Prevention contracts between Social Services and Community School. The complaint centered on Community School payments to the staff of Community School's subcontractor, Aspirations.

The scope of our audit covered the two Pregnancy Prevention contracts issued by Social Services to Community School, Aspirations role as a subcontractor of Community School in delivering services under the contract, and the role of students who provided volunteer community services to Aspirations as part of Southern's Service Learning Program. The contracts were from June 1, 2006 to Feb. 29, 2008. However, our audit period was from June 1, 2006 thru Aug. 31, 2007, which coincides with Aspirations cessation of activities.

Our audit procedures included reviewing:

- Applicable statutes, rules, and regulations
- The Community School Pregnancy Prevention contracts
- Community School invoices and supporting documentation
- Community School checks and 1099's payable to Aspirations' employees and volunteers
- Aspirations' time sheets
- Aspirations' Income Tax Returns
- Southern's Service Learning agency forms
- The Service Learning Program's curriculum

We also conducted interviews with employees, volunteers, and pertinent administrative staff of the various organizations involved with the Pregnancy Prevention contracts, and performed other procedures, as we considered necessary.

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Finding 1: Improper Payments and Income Reporting

Community School improperly wrote 29 checks totaling \$23,146 to the staff of its subcontractor, Aspirations. In 2006, Community School wrote 26 of the checks totaling \$20,866, and in 2007, Community School wrote three additional checks totaling \$2,280. Fourteen of the checks in 2006 totaling \$11,308, and one check in 2007 totaling \$678 were for students from Southern who were providing volunteer services to Aspirations.

Community School also improperly reported income in 2006 on federal 1099 forms for 11 of Aspirations' staff totaling \$16,360. Seven of the 1099s totaling \$11,276 were for the student volunteers.

In addition, Ms. Keller either deposited the 29 checks in Aspirations' bank account or cashed the checks. The checks were endorsed "For Deposit Only" and/or endorsed with the payee's name and Ms. Keller's. However, Ms. Keller did not report the income Aspirations received from Community School on its 2006 federal tax return.

Community School verbally subcontracted with Aspirations as one of its partners to provide services under the two Pregnancy Prevention contracts to 15 youths at Aspirations' facility. According to Mr. Jones and Ms. Keller, under the agreement Community School would not reimburse Aspirations for the actual service hours provided to the 15 youths. Instead, Mr. Jones and Ms. Keller agreed that Community School would pay the direct labor costs of Aspirations by writing individual checks to Ms. Keller and her staff even though Mr. Jones had never met any of the staff.

Community School was supposed to pay Ms. Keller and her staff \$12 an hour for mentoring services. According to Mr. Jones, Community School allowed three mentors for Aspirations in its budgets for the Pregnancy Prevention contracts. However, Ms. Keller submitted time sheets for more staff and hours than budgeted. Therefore, he had to reduce the pay rate to \$8 an hour to stay within budget.

Ms. Keller submitted timesheets to Community School for herself and 17 members of Aspirations' staff, which included eight students from Southern. We confirmed with Southern that six of the students were providing volunteer community services as part of Southern's Service Learning Program and two as part of an Internship Program.

We were able to contact and interview Ms. Keller and 11 members of Aspirations' staff. Of those, five confirmed they were student volunteers from Southern, five said Ms. Keller hired them as employees, and one said she volunteered her services. This individual was not a Southern student. Ms. Keller, on the other hand, stated all of Aspirations' staff members were volunteers.

Community School issued checks and 1099s to Ms. Keller and Aspirations' 17 staff members. Mr. Jones stated that he gave the checks and 1099s to Ms. Keller for distribution to her staff.

The following table lists the number of checks and 1099s issued to Ms. Keller, to student volunteers from Southern, and to other members of Aspirations' staff:

Community School Checks and 1099s Issued to Aspirations				
	Number of Checks Issued	Total Amount of Checks	Number of 1099s Issued	Total Amount of 1099s
Year 2006				
8 Student Volunteers	14	\$11,308	7	\$11,276
9 Other Staff Members	12	9,558	4	5,084
Subtotal of Staff	26	20,866	11	16,360
Ms. Joyce Keller	5	7,840	1	7,840
Subtotal 2006	31	\$28,706	12	\$24,200
Year 2007				
1 Student Volunteers	1	\$ 678		
2 Other Staff Members	2	1,602		
Subtotal of Staff	3	2,280		
Ms. Joyce Keller	1	1,200		
Subtotal 2007	4	\$3,480		
Total	35	\$32,186	12	\$24,200

We asked the 11 volunteers and employees interviewed to review the checks and 1099s that were issued in their name. All of the volunteers and employees stated they had not received the 1099 forms. Ms. Keller said she mailed the 1099s to the addresses on the form.

Of the 11 interviewed, two employees stated that they had endorsed the Community School checks written in their names over to Ms. Keller, and during the course of their employment with Aspirations, Ms. Keller paid them the total amount of the Community School checks. Seven other volunteers and employees admitted that they had endorsed some of Community School checks written in their names over to Ms. Keller. However, Ms. Keller had either not paid them or had only paid them a small portion of the amount of the Community School checks. One volunteer and one employee stated that they have never received any money from Community School or Aspirations. In addition, four volunteers and three employees noted seven checks endorsed with their names totaling \$3,868 that they have never seen and had not signed.

Ms. Keller stated that she had received permission from her staff to deposit or cash all the checks. She said that she paid her staff by business or personal check and/or cash for at least the amounts written on the Community School checks, mostly in advance. However, Ms. Keller could not provide documentation in the form of canceled checks or receipts to support her claim.

In addition, we reviewed Aspirations federal tax return for 2006 and noted Ms. Keller only reported the \$7,840 from the 1099 issued directly to her from Community School. She did not report any of the income she deposited and cashed from the Community School checks written to her staff.

Conclusions:

1. Community School did not have a contractual relationship with the volunteers and employees of Aspirations, and, therefore, should not have issued checks and 1099s to the Aspirations' volunteers and employees.
2. Aspirations should have reported the additional income it received from the Community School checks payable to volunteers and employees of Aspirations, which Ms. Keller deposited and cashed on its 2006 federal income tax return.

Recommendations:

1. Community School should submit corrected 2006 1099s to the United States Social Security Administration and the Internal Revenue Service and to Aspirations showing the income previously reported to volunteers and employees of Aspirations as Aspirations' income.
2. Aspirations should amend its 2006 federal tax return to include the additional income it received from the Community School checks payable to volunteers and employees of Aspirations, which Ms. Keller deposited and cashed.
3. This report should be referred to the Office of the Louisiana State Attorney General for further investigation.

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Finding 2: Contract Overcharges

Community School overcharged Social Services \$49,919 for 11,858 service hours on monthly invoices under the two Pregnancy Prevention contracts during the 15-month period beginning June 1, 2006 through August 31, 2007. The service hours are ineligible for reimbursement due to missing birthdates for participants, under-aged participants, double billing of services hours, and service hours that were unsupported by attendance sheets.

For the 15-month period, Community School requested a total reimbursement from Social Services of \$234,317 for 40,023 service hours. In February 2007, Social Services ceased payments to Community School due to findings on a review of services provided under the Community School Pregnancy Prevention contracts. As of that date, Social Services reimbursed Community School \$127,818 of the total amount requested.

The two contracts required that Community School and its partners provide Pregnancy Prevention services to at-risk youths, ages 11 through 20. During the negotiations of the contracts, Community School submitted monthly schedules to Social Services indicating that Community School and its partners would provide services to between 140 and 155 middle and high school students in East Baton Rouge for a projected number of service hours both before and after school and during the summer months.

Payment terms of the contracts specified that Social Services would reimburse Community School \$7 per hour per Pregnancy Prevention participant for the number of service hours Community School and its partners provided to the participant. For the \$150,885 contract from June 1, 2006 through February 28, 2007, if the actual service hours delivered were 80% of the projected monthly service hours, Social Services reimbursed Community School the projected monthly service hours at \$7 per hour. Otherwise, Social Services reimbursed Community School for actual service hours at \$7 per hour. For the \$199,885 contract from March 1, 2007 through February 29, 2008, Social Services reimbursed Community School \$7 per hour per participant for the number of service hours provided per day. Social Services would not reimburse Community School for more than eight service hours for any participant on any day.

Social Services requires providers to complete a Social Services invoice with the names of each participant, their birthdates and social security numbers, and number of hours each participant attended per day. The providers must submit the invoices by the 15th of each month for services rendered the previous month. The providers must maintain attendance sheets to support all invoices.

Community School verbally subcontracted with Aspirations as one of its partners to provide Pregnancy Prevention services under the two contracts to 15 youths at Aspirations' facility. Under the verbal contract, Mr. Jones and Ms. Keller agreed that Community School would not reimburse Aspirations for the actual service hours provided to the 15 youths. Instead, as previously discussed in the Improper Payments and Income Reporting section of this report; Mr. Jones and

Ms. Keller agreed that Community School would pay \$12 per hour for services provided by Aspirations's mentors.

However, in order for Community School to pay for the mentoring services, Mr. Jones required Ms. Keller to submit monthly invoices to Community School for the service hours it provided to the 15 youths. Aspirations submitted invoices to Community School for 21,940 services hours, and Community School, in turn, submitted the invoices to Social Services for reimbursement in conjunction with its own. However, 8,398 (38%) of Aspirations' service hours are ineligible.

A review of charges on the invoices for Aspirations' service hours revealed charges for participants under the age of 11 not allowed under the contracts and charges for service hours of participants not included on attendance sheets. In addition, Aspirations could not provide attendance sheets to support service hours for the months of November and December 2006, and for May 2007.

Ms. Keller stated that she was unaware of the age limit of the program, and she could not provide copies of the missing attendance sheets due to break-ins and thefts at her facility. She said she submitted the original attendance sheets to Community School. Mr. Jones stated that he provided Ms. Keller a copy of the contracts with the age requirements highlighted. He also said that he never received attendance sheets for the months in question.

Community School submitted invoices to Social Services for 18,083 service hours provided at its facility to Community School students before and after school. However, 3,460 (19%) of Community School's service hours are ineligible.

A review of charges on the invoices for Community School's service hours revealed charges for participants that did not include birthdates as required by Social Services and charges for services to participants twice in the month of September 2006. In addition, Social Services conducted a review of Community School for the months of June and July 2006 and disallowed service hours charged on the invoices that were unsupported by attendance sheets. The Social Services disallowance for these charges is included in our totals.

The table on the following page lists the percent of service hours overcharged for both Aspirations and Community School.

Percent of Service Hour Overcharges			
	Total Service Hours Charged	Total Service Hours Disallowed	Disallowed Hours Per Provider to Total Disallowed
Aspirations	21,940	8,398	71%
Community School	18,083	3,460	29%
Total	40,023	11,858	100%

Conclusions:

- Community School overcharged Social Services \$49,919 for 11,858 ineligible service hours on monthly invoices under the two Pregnancy Prevention contracts.

Recommendations:

- Prior to any additional reimbursement to Community School, Social Services should perform a full audit of all invoices submitted by Community School for services provided under the two Pregnancy Prevention contracts.
- Social Services should disallow any charges for missing birthdates on participants, under-aged participants, double billing of services hours, and service hours that are unsupported by attendance sheets.

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Finding 3: Service Learning Program

Southern's Center for Service Learning is unable to provide adequate information concerning students enrolled in the Service Learning Program in a timely manner, and, therefore, has no way to quickly obtain the whereabouts of a student enrolled in the program in the event of an emergency. In addition, students enrolled in the program accepted cash for the volunteer services they provided to Aspirations and may have put themselves and Southern at risk when they transported Pregnancy Prevention participants of Aspirations in their personal vehicles.

During our audit of services provided under the Community School Pregnancy Prevention contracts, we received timesheets from Aspirations for 17 workers. Six were students from Southern providing volunteer community services to Aspirations as part of the Service Learning course requirements.

In 1990, the Southern Board of Supervisors began requiring students to complete a minimum of 60 clock hours of community service as a prerequisite for graduation. It also established the Center for Service Learning under the Department of Continuing Education, which offers Service Learning courses designed for that purpose. Dr. Barbara Carpenter is the director of the Department of Continuing Education and the Center for Service Learning.

In order to satisfy the 60-hour requirement, students may choose to enroll in either one Service Learning course or several Service Learning courses for a maximum of three credit hours. Students have the option of enrolling in one course in which the student is required to perform a minimum of 60 hours of community service at an approved Service Learning agency and earn three credit hours upon completion of the course. Students also have the option of enrolling in three separate courses in which the student is required to perform a minimum of 20 hours of community service at an approved Service Learning agency, and earn one credit hour upon completion of each of these courses.

Ms. Kristine Gordon is the instructor for all Service Learning courses. Students enrolled in one of the Service Learning courses complete a Placement Application and choose three or four agencies from a list of approved agencies ranked in order of preference. Ms. Gordon assigns the students to an agency, as positions are available. Upon assignment, students complete a Learning Contract listing their duties, responsibilities, and scheduled work days and hours. The student, agency supervisor, and Service Learning advisor must sign the form.

Ms. Gordon maintains a file on each student enrolled in Service Learning courses, which includes the forms completed by the student. However, when we requested documentation for the students assigned to Aspirations, Dr. Carpenter and Ms. Gordon informed us that they had archived the student enrollment documentation. Therefore, retrieval would be time-consuming and difficult. Dr. Carpenter and Ms. Gordon also informed us that they do not maintain a database for tracking students enrolled in the courses, and unless they retrieved the files

from archives, would not be able to provide us with information detailing the assignment of students or the number of community service hours provided to Aspirations. Because data on students enrolled in the program is not readily available, Dr. Carpenter and Ms. Gordon have no way to quickly obtain the whereabouts of a student enrolled in the program in the event of an emergency.

Ms. Gordon did provide us with a list of 33 students enrolled in Service Learning courses and assigned to Aspirations from the spring 2006 semester through the summer 2007 semester. However, the list did not include two of the student volunteers on timesheets received from Aspirations and it did not include the number of community service hours provided for any of the students.

Three of the six student volunteers admitted to receiving \$20 to \$300 from Ms. Keller for their services at Aspirations. The students also admitted that they were aware that their services were strictly volunteer services and that Aspirations was not supposed to pay them. According to Ms. Gordon, students attend an orientation class on campus where she instructs them on the policies of the program. She also holds a Service Learning Agency Workshop. However, it is not mandatory for an agency representative to attend. Ms. Gordon stated that she does not have written policies or guidelines to provide to the students and agencies. Formal written policies and guidelines, including consequences of dismissal from the program if an agency offers and/ or students accept cash for their services, may help to ensure that student volunteers and agencies adhere to policies of the program.

Student volunteers also stated that they transported Pregnancy Prevention participants of Aspirations in their personal vehicles. If Aspirations does not have adequate liability insurance, the student volunteers and Southern may have been at risk during the transportation of Aspirations' participants. Formal written policies and guidelines, including a requirement for agencies to submit proof of liability insurance prior to including the agency on the approved agency list, may help to ensure that student volunteers and Southern are not at risk in the event of an unforeseen accident.

Conclusions:

4. The Center for Service Learning cannot provide information on students enrolled in the Service Learning Program and their agency assignment in a timely manner, and, therefore, cannot quickly obtain the whereabouts of a student in the event of an emergency.
5. Although students enrolled in the Service Learning Program were verbally instructed and aware that agencies were not to pay them for their volunteer community services, students accepted cash for volunteer community services provided to Aspirations.
6. Students enrolled in the Service Learning Program may have put themselves and Southern at risk when they transported Pregnancy Prevention participants of Aspirations in their personal vehicles.

Recommendations:

6. The Center for Service Learning should create and maintain a database to track students enrolled in the Service Learning Program, which details students' agency assignment and community service hours.
7. The Center for Service Learning should have formal written policies and guidelines, which include consequences of dismissal from the program if an agency offers and/or a student accepts cash for services.
8. The Center for Service Learning should have formal written policies and guidelines, which require agencies to submit proof of liability insurance prior to including the agency on the approved agency list.

APPENDIX A

Responses

**ASPIRATIONS'
RESPONSE**

Written Response to Investigative Draft from:

Aspirations Wholistic Tutorial Services

975 North Donmoor Avenue

Baton Rouge, LA 70806

Re: Case No. 108001

Executive Summary

Page 1

Paragraph 1:

I concur with finding based on limited knowledge of contract guideline with DSS and Community School and information submitted to me in your findings.

Paragraph 2:

I concur with finding based on the contractual agreement Community School had with Aspirations.

Paragraph 3:

I concur in part with findings in lines one through four.

However, I do not concur with line four and five, in that I did report what was given to Aspirations on the 1099 given by Community School for income received in Aspirations' name.

Paragraph 4:

I concur with your finding based on the information I have read in your finding according to the guidelines of DSS.

Paragraph 5:

I concur with findings in that students did provide students with transportation to and from the program.

Corrective Plan of Action:

However, in the future no student will be asked to transport student without clear directions or guideline set forth by funding source. Proof of liability insurance will be adequately provided to cover students and volunteers as it has done in the past.

Page 2

No response needed.

Background

Page3

Paragraph 3:

I concur with information in that the federal welfare legislation did enact programs set forth in your findings.

Paragraph 2:

I concur with information in your findings as the legislations for the program guidelines are clear.

Paragraph 3:

I concur in with findings in that I believe the information to be true as presented to me by the Inspector General's Office in this written draft.

Paragraph 4:

I concur with findings in that I did provided services to student in East Baton Rouge Parish both after school and during the summer months.

Paragraph 5:

I concur in part with your findings. Aspirations is not known as "Aspiring Dreams", as it was suppose to have been corrected by Mr. A.J. Jones. Aspirations did have a contract to provide mentoring and other services to approximately twenty youth in June 1, 2006 and approximately 15 youth after the summer of 2006 at Aspirations' facility.

Paragraph 6:

I concur in part with your findings in that I cannot recall the number of students at this time as community volunteers or internships.

Paragraph 7:

I concur with the flowchart as presented to me by the investigators of the Inspector General's Office.

Page 4

I concur with flowchart as it appears to be accurate according to the information I have read thus far regarding the findings.

Scope and Methodology

Page 5

Paragraph 1-5:

I concur with the information as presented to me in that the investigation did entails all information listed in the written draft.

Page 6

No response needed.

Page 7

Paragraph 1:

I concur in that the contract was with Community School and Aspirations.

Paragraph 2:

I concur in that the contract was with Community School and Aspirations.

Paragraph 3:

I concur in part, as Aspirations did report in 2006 the amount of taxes it was given by Community School on its 1099.

Paragraph 4:

I concur in part with paragraph four, in that Community School did have a contract with Aspirations to provide services to youths.

At the time of the contract there was no discussion of actual labor cost in that I had no knowledge of the grant that he had submitted and was awarded.

Aspirations was told it would be reimbursed for food and transportation by Mr. Jones. There was never any mention of the actual payments that DSS and Community School had agreed to pay its contractors other than the twelve dollars an hour Mr. Jones said it would pay Aspirations for the volunteers. Aspirations did not know what it was to receive until Mr. Jones gave the first check in August 2006. Mr. Jones stated he had problems with funds and had to cut back on the amount he could pay. Aspirations was never paid for meals or transportation. Aspirations provided youth with breakfast, lunch, and afternoon snack per Mr. Jones instruction in the summer months of 2006 and 2007. Youth that participated in the After-School Enrichment Program were given snacks and transportation in the remainder of 2006, and part of 2007, Aspirations received no compensation. The services were provided per Mr. Jones instruction and promise of reimbursement.

Also, Mr. Jones met two of the volunteer the first time he visited Aspirations. The volunteer present were Amanda Griffin and Rosalyn Davis. Furthermore, Mr. Jones met other volunteers when he visited Aspirations on other occasions. In June of 2006, Mr. Jones was present with youth from Community School at Baton Rouge Community College where Aspirations and its youth hosted and performed for "National HIV Testing Day" and approximately eight volunteers were present. Mr. Jones also, met volunteers when he visited Aspirations in August to give out payroll checks and have students sign for them. At that time Mr. Jones collected 1099 and resumes from student volunteers.

Paragraph 5:

I concur with findings in that Mr. Jones told me, Joyce Turner Keller, that that was the amount he could pay volunteers. However he later said there was a problem with funds and had to pay less.

Paragraph 6:

I concur with the findings in that Aspirations did submit time sheets for volunteers.

Paragraph 7:

I concur in part with the finding ion that Aspirations had no employees.

Page 8

Paragraph 1:

I concur with the findings in that Community School did issue checks and 1099 to Aspirations.

Paragraph 2:

I concur with flow chart as it appears to be accurate.

Paragraph 3:

I do not concur with lines one through three. Keegan Willis mailed all 1099 to volunteers.

Tables of Contents

No response needed.

Page 9

Paragraph 1

I concur with line one through four in that volunteers were paid. I concur do not concur with lines four through eleven, in that some volunteers were paid in advance before checks from Community School were issued. Aspirations had received a grant from another source and used some of those funds to assist volunteers that were in need of cash advances. Aspirations acted in good faith when it trusted volunteers by sometimes advancing cash loans without having them to sign for funds. It was understood that monies were to be repaid to Aspirations after checks from Community School were issued to volunteers.

Paragraph 2:

I concur in part with the paragraph two in that I, Joyce Turner Keller, did state that I had permission to deposit checks written to volunteers in that they had received from me, Joyce Turner Keller, personally or from Aspirations' account. However, I do not concur with the findings that I submitted no documentation to support my claim. I submitted a notarized document from one of the volunteers as well as checks that were written to some of the volunteers that were cashed by the volunteers. Those documents were hand delivered to Mr. Van Cochran of the Inspector General's Office. Faxed copies of police identification cards with dates of break ins were sent to Office of Inspector General.

Paragraph 3:

Aspirations concurs with the findings in that Aspirations filed in 2006 the 1099 submitted to them from Community School in the amount of \$7,840. Furthermore, Aspirations did not file income on checks written to volunteers in that no taxes were taken by Aspirations and checks were written to someone other than Aspirations.

Conclusions

1. I concur with the findings in that Community School did have a contractual agreement with Aspirations.

2. I concur the finding in that Aspirations accepts the findings of the Inspector General's Office.

Recommendations:

1. I concur with the recommendation in that Community School had a contract with Aspirations.
2. I concur with the recommendation that Aspirations should amend it 2006 tax return. Aspirations submitted all tax returns to be amended for 2006.
3. It is not for me to say as to the next step of the Inspector General's Office.

Page 10

No response needed.

Findings 2: Contract Overcharges

Page 11

Paragraph 1-2-3-45:

Aspirations cannot concur or concur with the findings of the Inspector General's Office in that Aspirations has no knowledge of invoices submitted to Social Services by Community School..

Aspirations cannot concur or not concur due to the fact I have no knowledge of Community School's agreement with Social Services.

Paragraph 6:

Aspirations concurs in part to paragraph six, in that Aspirations did have a contract with Community School to be paid for all services rendered. However, I, Joyce Turner Keller, do not concur with the statement from Mr. Jones that we agreed to not be paid for services provided. Aspirations never stated that it did not want to be paid what it was entitled to according the contract Community School had with Social Services. Aspirations had no knowledge of the terms of the grant that Community School had received in that Aspirations was a sub-contractor after Community School had been awarded the grant.

Page 12:

Paragraph 1:

I concur with the findings In that Aspirations did submit monthly invoices to Community School for attendance.

Paragraph 2:

I concur with the finding in that the original copies of the attendance sheets were given to Mr. Jones for November and December of 2006. There was a problem with my copier and a new had to be purchased, therefore, Aspirations submitted the original sheets to Mr. Jones. May 2007 sheets were sent to Mr. Jones on more than one occasion. One attendance sheet was hand delivered to his office by Carie Steed, a volunteer for Aspirations and others were faxed by Eloise Barrow another volunteer after Mr. Jones called to say that he had mislaid them.

Paragraph 3:

I concur with lines one through three. I do not concur with lines four through seven, in that Mr. Jones only paid after receiving the attendance sheets for each month. I never received a highlighted copy of the age requirement from Mr. Jones. I became aware of the age requirement in January of 2007 in telephone conversation with Mr. Jones after I called him asking about the payment for services provided in December 2006. After which I complied with the age restrictions.

Paragraph 4 & 5

Aspirations cannot concur with in that it has no knowledge of what Community School submits to Social Service.

Conclusions:

Page 13:

Aspirations cannot concur with chart in that Aspirations has now knowledge of invoices submitted Social Services.

Recommendations:

I concur with the recommendations of the Inspector General's Office in that all services provided contracts should be audited.

I concur with findings of the Inspector General's Office that all improper invoices be disallowed.

Page 14

No response needed.

Page 15:

Finding3: Service Learning Program

Paragraphs 1- 6:

Aspirations has no knowledge of record keeping at Southern University therefore can neither concur or not concur with findings.

Page 16:

Paragraph 1 & 2:

Aspirations cannot concur in that Aspirations has no knowledge of Southern University's record keeping.

Paragraph 3:

Aspirations concurs in part with statement regarding service learning. However, Aspirations cannot concur with the statement of how much volunteers received given Aspirations does not know who the volunteers are.

Paragraph 4:

Aspirations concur with findings that volunteers transported youth in the vehicles. However, at the time Aspirations did have adequate liability insurance. Aspirations did not receive any written guidelines from the university regarding community volunteers.

Conclusions:

4. Aspirations has not knowledge of Southern University record keeping. Therefore, Aspirations cannot concur.
5. Aspirations concur with the findings that youth accepted cash and checks from Aspirations.
6. Aspirations concur with the findings and will not expose volunteers or Southern University to risk in the future by asking students to transport youth.

Recommendations:

Page 17:

Recommendations 6, 7, 8:

Aspirations concur with recommendation for the Service Learning Program in that it clarifies the guideline for, students, agency and university should follow.

**THE COMMUNITY SCHOOL'S
RESPONSE**



June 2, 2008

Stephen B. Street., Jr.
State Inspector General
PO Box 94095
Baton Rouge, LA 70804-9095

Re: Case No. 1080001

Dear Mr. Street:

This letter is in response to your letter of May 20, 2008 regarding the above referenced case number. We have reviewed your findings and concur with the statements in your Executive Summary, Background information and with the Scope and Methodology used in your draft. We have also reviewed your findings, conclusions and recommendations. Below is our response:

Finding 1: Improper Payments and Income Reporting

- Recommendation #1 – We have contacted and requested our accounting firm, the Levy Company to submit corrected 2006 1099s to the United States Social Security Administration and Internal Revenue Service and to Aspirations. This process is in progress and should be completed by June 30, 2008. The contact person at the Levy Company is Shekira Holiday and the contact phone number is 225.343.5123.
- Recommendation #2 – We concur with your recommendations.
- Recommendation #3 – We leave further investigation up to the discretion of the Louisiana State Attorney General's office.

Find 2: Contract Overcharges

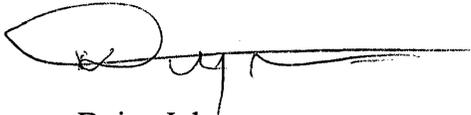
- Recommendation #1 –The Office of Social Services have reviewed and adjusted invoices from 2007-2008 and made the proper adjustments. Adjustments for the funding year of 2007-2008 have been completed. The contact person regarding the adjustments is Mrs. J. Landry and can be reached at 225.342-0869. Per a letter received from DSS Director of Contract Services, Gwendolyn Brooks, a full audit review of invoices submitted for the period of June 2006 through May 2007 will be conducted. Our Board of Directors will be informed of any anticipation of partnership with subcontractors in conjunction with

The Teen Pregnancy Program. Contracts will be drawn up and reviewed before signing. This decision was made during the monthly board of directors meeting in February 2008. One of the stipulations of the continuance of the DSS grant was to retain a consultant to enable the board to be more proactive with the TPP program. The consulting firm of Jan Bernard Public Affairs Consulting held the first team building planning session at the regular monthly board meeting on May 27, 2008. This planning and consultation will be ongoing. The contact person is Jan Bernard at 225.346.0306.

- The Department of Social Services have already made adjustments disallowing charges for missing birthdates, under-aged participants, double billing of services hours and service hours that are unsupported by attendance sheets. The contact person at the Department of Social Services is Mrs. J. Landry and can be reached at 225.342-0869.

Please contact me at 225.336.1410 if there are questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dujan Johnson', written over a horizontal line.

Dujan Johnson
School Director

DJ/vj

**SOUTHERN UNIVERSITY'S
RESPONSE**



June 17, 2008

Mr. Stephen B. Street, Jr.
State Inspector General
Office of the State Inspector General
P.O. Box 94095
Baton Rouge, Louisiana 70804-9095

Dear Mr. Street:

Enclosed is a copy of the letter that was sent to our interim Chancellor, Ms. Margaret Ambrose regarding the investigation on Aspirations Wholistic Tutorial Services, Inc.

You might recall that I spoke with you earlier this month regarding our needing time to review your report and make a competent response. I also indicated to you that my staff and I were involved in our annual study abroad programs during the entire month of May and the earlier part of June. Therefore, your report arrived in our office while we were abroad.

You will find that many of the assertions are questioned by us. We cooperated with your office as well as we could given that the initial investigation was based on the performance of and expenditures by Aspirations Wholistic Tutorial Services, Inc. and not the Southern University Service Learning program. Unfortunately, this report seems to be directed at the structure of our program. I appreciate the recommendations; however, they are unwarranted as we were not a direct party to any problems experienced by Aspirations Wholistic Tutorial Services, Inc. and your office.

If you would like additional information, kindly call me at 225 771-2613.

Sincerely,

Barbara W. Carpenter, Ph.D.
Dean and Professor
Center for International and Extended Education
And Director, Center for Service Learning



June 16, 2008

Ms. Margaret Ambrose
Interim Chancellor
Southern University
Campus

Dear Ms. Ambrose:

Mr. Mark Trepagnier indicated that I should write a response to you regarding the report issued by the Office of the State Inspector General on **Aspirations Wholistic Tutorial Services, Inc (Aspirations)**. **Aspirations** has served as a service learning placement site for our students for several years. Let me say at the onset, that we have not experienced any problems with this agency. It was when contacted by Mr. Van Cochran of the Inspector General's Office earlier this year that we learned that there might be a problem.

Ms. Kristan Gordon, Service Learning Coordinator/Instructor, complied with Mr. Van Cochran's requests as much as possible without divulging students' confidential information. Many of the statements in his report are not quite accurate. We are required to keep files no more than three years back. Much of the information requested was older than three years and had to be hand researched. This took time as we were still carrying out our regular duties while at the same time spending time in another location where the files are boxed for storage. Therefore, the research took longer than expected.

The service learning program forbids students from receiving payment for volunteer services. This information is printed on our documents and it is expressed continually to students. We made Mr. Van Cochran aware of that fact as well as provided information to verify such. The report seems to indicate the opposite. As far as students transporting participants, the agency was aware of the fact that we do not condone having our students transport participants. No student indicated to us that they were transporting program participants. Also **Aspirations** did not indicate to us that they required service learning students to use personal transportation for their participants. If so we would not have continued them as a service site.

While I could spend much time disputing many of the statements in his report, let me say to you as succinctly as possible, that the investigation is about **Aspirations**. The report tends to find fault with our service learning program. We have done nothing wrong. We tried to assist Mr. Van Cochran by providing information when asked as well as providing space in our office to interview students. Additionally, we gave him copies of all of our documents for his files. Many of the names given to us were not even our

students. He seemed to have a problem with the fact that we could only answer for students that were enrolled in the program.

Finally, I resent the implication that we are somehow a part of the wrong doings of **Aspirations**. What ever went wrong with a program that was funded by the state was clearly not our fault and should be addressed by the Inspector General's office. We are not a part of the problem. We have an excellent service learning program and would not jeopardize our standing in the academic community by agreeing to participate in any wrong doings with any agency. You might know that Aspirations has been removed from our service agency list.

If you desire additional information, kindly let me know.

Sincerely,

A handwritten signature in black ink that reads "Barbara W. Carpenter". The signature is fluid and cursive, with a large initial 'B' and 'C'.

Barbara W. Carpenter, Ph.D.

Dean and Professor

Center for International and Extended Education

And Director, Center for Service Learning

CC: Mr. Mark Trapagnier, Legal Counsel
Ms. Kristan Gordon, Service Learning Coordinator/Instructor
✓ Mr. Stephen B. Street, Jr., State Inspector General
Mr. Van Cochran, Office of the Inspector General

**DEPARTMENT OF SOCIAL SERVICES'
RESPONSE**

BOBBY JINDAL
GOVERNOR



ANN SILVERBERG WILLIAMSON
SECRETARY

State of Louisiana

Department of Social Services
Office of Family Support
Assistant Secretary

May 30, 2008

Mr. Stephen B. Street, Jr.
State Inspector General
Louisiana Office of Inspector General
Post Office Box 94065
Baton Rouge, Louisiana 70804-9065

Case Number: 1080001

Dear Mr. Street:

This is our response to your May 20, 2008 letter to Secretary Williamson regarding the findings resulting from the investigation conducted of the Community School for Apprenticeship Learning, Case Number: 1080001. We concur with your findings because our internal review conducted on February 27, 2007, revealed similar findings. We also agree with your recommendations.

Due to the findings revealed in our internal review, we have already implemented the following measures and no further corrective action is needed.

- Require contractor to provide supporting documentation (sign in sheets indicating name of site, signature of each participant with time in/out indicated, date of service and curriculum used) with each invoice to validate reimbursement.
- Require contract manager to closely review all sign in sheets to detect any anomalies.
- Deny all requests for payments that appear suspicious.

Page 2

CSAL/May 30, 2008

- Amend CSAL's contract reducing the number of TPPP sites allowed to operate.

Even though your report indicated that the provider overcharged DSS \$49,919, the department only overpaid CSAL \$5,202, which will be recouped from future invoices. All requests for payment submitted by CSAL were not approved. A review of past invoices will be conducted to determine if additional overpayments exist. If further overpayments are found, the appropriate action will be taken.

Please direct any questions you may have regarding this matter to Gwendolyn D. Brooks, OFS Contract Services Section by calling (225) 342-2514.

Sincerely,

Daniel Tuman for Adren O. Wilson

Adren O. Wilson, Assistant Secretary
Office of Family Support
Department of Social Services

AOW/GDB

Copy to Ann Silverberg Williamson

bcc: Jeannathan Anderson
Gwendolyn D. Brooks
David Sigue:

Twenty-nine copies of this public document were published in this first printing at a cost of \$ 145.31. The total cost of all printings of this document, including reprints is \$ 145.31. This document was published by the Office of State Inspector General, State of Louisiana, Post Office Box 94095, 150 Third Street, Third Floor, Baton Rouge, LA 70804-9095 to report its findings under authority of LSA-R.S. 39:7-8. This material was printed in accordance with the standards for printing by state agencies established pursuant to LSA - R.S. 43:31.

A copy of this report has been made available for public inspection at the Office of State Inspector General and is posted on the Office of State Inspector General's website at www.doa.louisiana.gov/oig/inspector.htm. Reference should be made to Case No. 1-08-0001. If you need any assistance relative to this report, please contact Bruce J. Janet, CPA, State Audit Director at (225) 342-4262.

REPORT FRAUD, WASTE, AND ABUSE

To report alleged fraud, waste, abuse, or mismanagement relative to state programs or operations, use one of the following methods:

- Complete complaint form on web site at www.doa.Louisiana.gov/oig/inspector.htm
- Write to Office of State Inspector General, P. O. Box 94095, Baton Rouge, LA 70804-9095
- Call the Office of State Inspector General at (225) 342-4262