

PALM BEACH COUNTY CRIMINAL JUSTICE COMMISSION
PROBATION ADVISORY BOARD

Governmental Center, 10th Floor
301 N. Olive Avenue
West Palm Beach, FL 33401

SPECIAL MEETING

June 4, 2010, 12:15 p.m.

MINUTES

Members Present

August Bonavita	Chairman, County Criminal Court Administrative Judge
Rosalyn Baker	Florida Department of Corrections
Virginia Cataldo	US Probation
Kay Oglesby	Public Defender's Office
Elizabeth Parker	State Attorney's Office
John Rivera	Public Defender's Office
Louis Tomeo	Office of Clerk & Comptroller

Members Absent

Steven Cohen	Criminal Defense Lawyer
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Guests Present

Maureen Brickous	Pride Integrated Services, Inc.
Daniel Eisinger	Public Defender's Office
Steven Kay	State Attorney's Office
John Potter	Pride Integrated Services, Inc.
Yasmin Rivera	Florida Department of Corrections

CJC Staff Present

Michael Rodriguez	Executive Director
Damir Kukec	Research & Planning Manager
Candee Villapando	Criminal Justice Analyst

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- I. Welcome/Opening Comments.** The meeting started at 12:17 pm. Chair Bonavita welcomed everyone.
 - II. Roll Call and/or Introduction of Members & Guests.** Chair Bonavita did roll call and asked guests to introduce themselves.
 - III. Approval and/or Amendments to the April 14, 2010 minutes.** The draft minutes for the April 14, 2010 meeting were approved without amendments.
 - IV. Approval and/or Amendments to the Agenda.** The agenda was approved with no amendments.

V. New Business

Review of Misdemeanor Court Ordered Restitution Payments Report and Recommendations

Chair Bonavita reminded everyone that the meeting is a special meeting to review the Misdemeanor Court Ordered Restitution Payments Report and Recommendations submitted by Damir Kukec. Mr. Kukec presented a brief summary and highlights of the report. He introduced the issue by saying that in March of this year, CJC received an email from a former employee of Pride alleging Pride's transfer of funds from restitution payments escrow account to their operating funds account. He reported that CJC staff consulted with the County Attorney's Office and Internal Audit as to the appropriate actions to take. As a result, CJC staff wrote a letter to Maureen Brickous, CEO of Pride, requesting for a meeting to talk about the issue and to request for information. On April 7, Damir Kukec, CJC Research and Planning Manager, met with Maureen Brickous, John Potter (Pride Chief Financial Officer), Wanda Joiner (Quality Assurance Officer), and Pride's Accounts Payable Clerk.

Mr. Kukec stated that the report essentially tried to address three questions: (1) How are restitution funds collected, managed, and disbursed; (2) Is Pride paying victims in a timely manner, which is 14 days, as part of the requirement in their contract; and (3) Are funds transferred back and forth between the restitution account to the operations accounts? Mr. Kukec reported that the main findings from the review, from the interview with Pride and the documentation provided were: (1) There is a concern relating to the maintenance of reports that accurately reflect the time between restitution payment is received by Pride and the time it is distributed to the victims of crime; (2) Pride did in fact transfer funds to and from restitution and operations funds from August 2008 to January 2010 when the practiced stopped; and (3) Throughout this whole process, Pride has fully cooperated and at no time did he feel that his review was impeded by their actions, and that Pride answered all his questions, provided all documentations requested, and that based on the documentations he believes that Pride's answer to his questions were truthful. Mr. Kukec added that Pride was provided the opportunity to respond, which is included in the report.

Mr. Kukec then went through the recommendations of the report and courses of action to be taken. The recommendations included were: (1) As allowed from Article 4 of the contract, to present Pride a corrective letter addressing the issues discussed in the report; (2) At the time of the next negotiation of the contract, to revise the contract to specifically prohibit the use of court costs and fines for any other purposes except for paying victims and for compensating and transferring all of the funds to the Clerk & Comptroller's Office; (3) To direct Pride to have a close look at all of its controls and processes related to the handling of monies collected either from restitutions, fines, or court costs; (4) To submit written guidelines how Pride controls these funds; and (5) To direct the CEO in the future to consult the PAB of any conduct they believe may contravene the Service Contract and/or Scope of Work.

Mr. Kukec noted that Pride is willing to work with the committee as to what it recommends, and that the recommendations and discussions will be included in the final review that will be submitted to the PAB, and then to the Criminal Justice Commission. Chair Bonavita thanked Mr. Kukec for his report and then opened the floor for discussion.

The discussion that ensued included the following issues or concerns:

Although the contract does not contain specific directions concerning how the restitution account should be set up and managed, as Ms. Brickous reasoned, Mr. Rivera said that the contract does require that restitution payments be made to the victims within a certain time period. And so the issue was that the transfer of funds between the restitution and Pride's operational accounts did cause a delay in the payment of restitution to victims.

Another issue of concern was that because of the absence of a complete and clear audit trail or quality assurance procedures in place before, there was no way of knowing exactly what happened, how long the transfer of funds had taken place and, if there was a delay in paying some of the victims, how often did that happen. Ms. Brickous added that, however, there are other legitimate reasons the disbursement may not happen within 14 days, e.g., due to wrong or incomplete information about the victim such as a wrong address, etc., when the check might be returned to probation. And she assured the committee that they now have quality assurance indicators or monitors in place between probation and accounts payable to ensure that they are in compliance with the contract.

Mr. Rivera asserted that also troubling was the fact that in the last annual review of Pride, based on the numbers that were given, the committee was led to believe, intentionally or not, that Pride was much more substantially in compliance with the 14 day requirement. Furthermore, the documents that would be needed to review this matter (the manual register that logs the dates when the restitution checks are mailed) were no longer available as they had been shredded as only records from the last six months are being kept (in this particular case, from October 2009), per the instruction of the financial coordinator, an ex-employee of Pride who was terminated due to a gross misconduct unrelated to probation.

Elizabeth Parker asked why Pride's operational funds were so low that they needed to transfer funds. Ms. Brickous explained that Pride has been experiencing decreasing revenue from decreasing caseload and the economy; the clients are coming in with less money and Pride still has to provide them with services, and they need to make adjustments in order to stay solvent. Mr. Rivera asked if it was a conscious decision to mix the restitution funds and use them; Ms. Brickous said yes. Mr. Rivera again said that is seriously troubling because the restitution funds are meant to go to restitution and that, under the contract, they should be sent within a certain time period. Mr. Rivera added that not only is the action itself troubling, but that as board members they made recommendations to the CJC and the county on Pride's compliance, one of which is making restitution payments to victims within 14 days, based on incomplete information.

Mr. Rivera asked a question about how Pride handles court costs and fines, and Ms. Brickous said that they just collect them and then forward them to the Clerk, and explained the procedure. Mr. Rodriguez indicated, although the report and the meeting is about the restitution account, that CJC is also looking at the court costs and fines issue to make sure that there is no problem there, and will be reporting back to the board about that. He added that what troubles him is how this former financial coordinator of Pride was able to destroy documents without their knowledge (referring to the CEO and CFO), and assumes that this has been dealt with, including the issue with the bank (where she was able to make an unauthorized transfer), to which Ms. Brickous and Mr. Potter said yes.

Mr. Rodriguez also expressed that one issue he is concerned with and would like to be discussed in making the recommendations is Pride's accepting of cash payments. Rosalyn Baker explained that they had put parameters and checks in place so that their probation officers do not accept money at all. Ms. Brickous said that they have spoken with other private agencies in the state and said that a lot of the private providers also take cash.

Ms. Parker recommended that, although she noted Mr. Kucec did a thorough look into the issue, the matter be turned over to the Inspector General's Office (IG) for further investigation as Pride has the contract with the county. Mr. Rivera agreed that this is the sort of thing that office was created for; he said he doesn't think that this board or the CJC is equipped to do a real financial audit and that sort of background check. Chair Bonavita asked how that would work, and Ms. Parker suggested forwarding the report and the contract to the IG, with which Virginia Cataldo and Louis Tomeo agreed. Mr. Rodriguez suggested that the committee make a motion for the issue to go to the IG, if approved take it to the CJC. Ms. Baker suggested that Pride not accept cash and put controls in terms of who can accept

cash and who can make the deposit. And she asked if there was any restitution payment that was not disbursed, and that every person received their restitution, and Ms. Brickous and Mr. Potter responded no and yes, respectively. And then there was further discussion about whether or not Pride should accept cash.

Mr. Rivera said that he was reluctant to make any recommendations prior to knowing what exactly occurred. He feels that Pride can operate under the recommendations in the report if they want, subject to review; but that the more important than that is to find out what exactly occurred because he does not think that the committee can make a conclusion about that based on the limited investigation that's been done. He said he would agree with Ms. Parker that the best recommendation right now is to refer it to the IG of the Ethics Board and let them do a full and complete investigation of Pride's financial records, accounting records, and distribution of all funds, whether it be restitution money, court costs and fines, cost of supervision money. Ms. Cataldo agreed to make sure that they have all the information before they even proceed.

Chair Bonavita then requested for a motion to vote on the recommendation to refer the matter over to the IG for further investigation; the committee has reserved on voting on the recommendation submitted in the report pending any outcome by the IG and their recommendations. A motion was made by Mr. Rivera and seconded by Ms. Parker. The vote carried unanimously.

VII. Member and Guest Comments

Mr. Kukec announced that Candee Villapando will be replaced by Wayne English, Senior Criminal Justice Analyst, as staff support for PAB, and thanked Ms. Villapando for her contribution. He said that staff might have an update in terms of how things are proceeding with the IG, as well as findings on the ongoing review with the Clerk's Office on court costs and fines at the next meeting. Mr. Rodriguez asked if Mr. Kukec wanted to talk about the Crimes Compensation Trust Fund (CCTF) issue, and Mr. Kukec said to defer it until the next meeting.

Mr. Rivera also announced that he was leaving the position of Chief of County Court, and that Daniel Eisinger (who was in attendance) was taking over, so that Mr. Eisinger will be representing the Public Defender's Office on the PAB. Chair Bonavita and everyone thanked Mr. Rivera for his services and welcomed Mr. Eisinger.

Ms. Baker told Mr. Kukec that she brought some information on some of the things they use with state probation and parole in terms of the money that they collect that might be helpful. Ms. Cataldo indicated that they (US Probation) do not collect any money, and that the Clerk's Office gets all those. Mr. Tomeo (Clerk's Office) said that they are amenable to discussing ACH because they do that quite often.

Chair Bonavita wanted to clarify what the committee wants to do about the suggestion earlier as to how Pride should handle cash in the interim. Ms. Baker suggested for Pride to continue business as usual.

VIII. Next Meeting (TBD)

IX. Adjournment

The meeting was adjourned at 1:21 pm.