



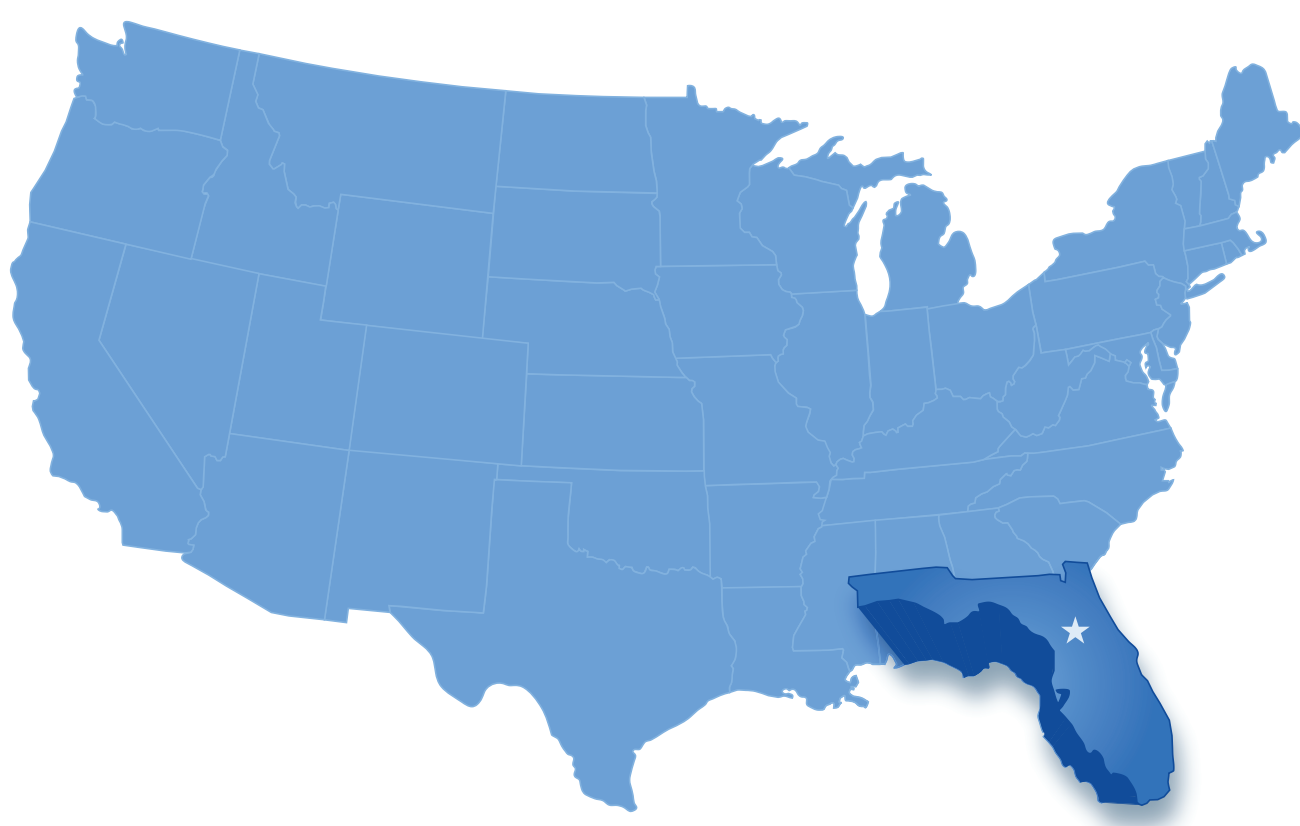
The Crime of the 21st Century: Elder Exploitation

Guardianship Fraud Program & Hotline

Clerk & Comptroller, Palm Beach County, Florida - Division of Inspector General

FLORIDA - GROUND ZERO IN U.S. FOR AGING ISSUES

Florida ranks #1 in the United States in residents over the age of 65. Older Floridians, their families, and communities face many issues related to aging including **financial fraud**.



65+ Population Projections in the U.S.

| State | 2020 | % of State Population | 2030 | % of State Population |
|----------------|-----------|-----------------------|-----------|-----------------------|
| Florida | 4,305,994 | 20% | 5,743,797 | 23% |
| Pennsylvania | 2,496,611 | 19% | 3,002,466 | 23% |
| Ohio | 2,155,363 | 18% | 2,613,829 | 22% |
| North Carolina | 1,893,418 | 18% | 2,530,127 | 22% |
| New York | 3,361,087 | 17% | 4,081,467 | 19% |
| Illinois | 2,097,707 | 16% | 2,528,663 | 20% |
| Georgia | 1,624,498 | 15% | 2,199,442 | 19% |

States with a population of over 10 million persons. Chart updated on May 2016 by the Weldon Cooper Center for Public Service, Demographics Research Group, www.coopercenter.org/demographics.

500,000 Floridians Diagnosed with Alzheimer’s Dementia

- **#1 in U.S.** - Percent of Alzheimer’s patients to total population
- **1 in 40** residents have Alzheimer’s disease
- **Twice** the occurrence rate compared to rest of U.S.

Alzheimer’s Association

50,000 Floridians Under Court Controlled Guardianships

\$4 Billion Guardianship Assets at Risk for Exploitation in Florida

Florida Guardianship Law was outdated, superficial and contained insufficient statutory controls to assure the financial protection of persons under guardianship.

CORE STRENGTH OF PROGRAM - INDEPENDENCE AND OBJECTIVITY

The Clerk & Comptroller, Palm Beach County has performed basic audits on guardianship reports for the last 25 years. During this time, it became clear that these audits were insufficient in uncovering unscrupulous behavior, fraud, and the financial exploitation of persons under guardianship. This led to the implementation of enhanced monitoring by the Clerk’s Division of Inspector General.

Enhanced Monitoring:

- Third Party Verifications
- Investigative Techniques
- Interviews & Interrogations
- Observations & Surveillance

Unique role of the Florida Clerk of Court:



• ELECTED, NOT APPOINTED.

In Florida, the Clerks are a separate and independent office created by the Florida Constitution. The Clerk is not a party to any guardianship proceeding and has no stake in the outcome.



• INDEPENDENT CONSTITUTIONAL OFFICE

Our audit reports are viewed as neutral and unbiased statements of fact. The investigative findings and audits performed are therefore accepted by all stakeholders – the courts, guardians, attorneys and guardian advocates because of our impartial role in the outcome.



• UNBIASED & PROFESSIONALLY TRAINED

Our audits are performed by expertly trained staff who specialize in detecting malfeasance, misfeasance and fraud. The Clerk auditors are professionals and specifically trained in internationally recognized best practices in auditing and investigations.



• INTEGRITY & OBJECTIVITY

The integrity of the Division of Inspector General professionals establishes trust and thus provides the basis for reliance on their judgment. Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgments.



• CONFIDENTIALITY

Our findings and work papers are held strictly confidential while the audits and investigations are open. Our audit reports contain findings and recommendations for the court to consider while providing oversight of the guardianship. The audit report warms the bench. The audit report is allowable ex-parte communication because the Clerk is not a party to the case and the communication fulfills a statutory duty.

FRAUD HOTLINE - PROTECTING THE VULNERABLE

The Clerk & Comptroller created a dedicated hotline specializing in Guardianship Fraud. Using the Guardianship Fraud Hotline, individuals can anonymously report complaints of financial fraud or waste involving court-appointed guardians of elderly, minor children and incapacitated individuals. The most frequently reported complaints are:



Missing money or property



Suspicious loans, funds transfers, opened or closed accounts/lines of credit



Suspicious purchase or sale of real or personal property



Violations of federal, state or local laws, rules or regulations



Guardian has a conflict of interest or exhibits signs of more expensive lifestyle



Forced removal from their home or residence

CLERK & COMPTROLLER’S GUARDIANSHIP FRAUD HOTLINE



Hotline Call

“My mother, the Guardian, stole the Ward’s house. It has bothered me for years; and I am reporting it because it is the right thing to do”

Hotline Call Investigation:

The Clerk’s IG found that the guardian fraudulently quit-claimed the deed to a house and forged the signature of a deceased grandmother five years after her death. The guardian’s actions were reported to the court enabling the ward to seek restitution.

Hotline Call

“My sister, the Guardian, has a huge entitlement issue with mom’s, the ward’s, money. She is spending mom’s money frivolously.”

Hotline Call Investigation:

The Clerk’s IG found that the guardian was frivolously spending the ward’s assets. The guardian purchased for her own benefit: a museum quality watermelon tourmaline crystal, an Egyptian sarcophagus, Kentucky Blue Grass seed, and cosmetic surgery. The court immediately removed the guardian and restitution efforts were successful.

Hotline Call

“The guardian stole \$39,000 from the ward and spent it on drugs.”

Hotline Call Investigation:

The Clerk’s IG found that the guardian stole \$39,000 from the ward. The guardian was arrested and charged with grand theft, thus making it the first criminal arrest for financial fraud in Florida.

LEGAL REFORM - LEADING THE WAY

The proven effectiveness of our monitoring program and investigative techniques has led to the passage of statewide legislation, **empowering elected Clerks to perform enhanced audits and investigations**. The success of our program generated renewed interest in the need to protect the rights of the elderly, especially those with dementia or Alzheimer’s disease.

Accomplishments since 2011

- \$5.1 million in unsubstantiated disbursements and missing assets identified
- Over 900 guardianship cases investigated
- Over 600 hotline calls logged
- Numerous guardians discharged
- 21 cases referred to law enforcement
- Numerous arrests and active investigations

2014

Florida House Bill 635 passed, which was modeled after our guardianship audit program. This law now enables Clerks statewide to audit and investigate fraud or financial exploitation in guardianship cases.

2015

Florida House Bill 5 – “Guardianship Proceedings” – passed, which calls for more transparency, independence and accountability in court proceedings that affect wards under guardianships. Passage of this bill is another step towards increasing protection of our most vulnerable citizens while enhancing public confidence in the justice system.

2016

Florida Senate Bill 232 passed, which provides for monitoring and disciplinary oversight of professional guardians by the Office of Public and Professional Guardians (OPPG) within the Florida Department of Elder Affairs. This law requires the OPPG’s executive director to develop, implement, and establish tools, procedures, and disciplinary proceedings to ensure compliance of professional guardians to professional standards.

GUARDIANSHIP FRAUD IN FLORIDA CRIMINALIZED

Since the Clerk’s Division of Inspector General is accredited by the Florida Commission on Law Enforcement Accreditation, performs investigations according to professional standards and is highly trained and professionally certified, law enforcement readily accepts and relies on the Clerk’s investigative findings. This streamlines the investigative process to criminally investigate and prosecute guardianship fraud. The Clerk bridges the gap between the civil guardianship court and criminal prosecution. **Guardianship fraud is no longer only a civil issue; victims now can obtain justice in criminal court.**

Clerk & Comptroller, Palm Beach County
Guardianship Fraud Program Awards and Acknowledgments:



2016 award recipient of the
Service to Seniors by an Organization Award (Guardianship)



2015 award recipient in the
Policy and Advocacy award category



2014 award recipient of the
Joanne Otto Distinguished Service Award

