IN THE COURT OF THE SECOND JUDICIAL CIRCUIT
IN AND FOR LEON COUNTY FLORIDA

THE STATE OF FLORIDA *Ex rel.* ANTWYON CARTER, ANDREW CLARK, KAMEL WARREN, TINA FOLGER, and CHRISTOPHER KELLMAN Plaintiffs, V. YOUTH SERVICES INTENATIONAL, INC. and JFS DEVELOPMENT, LLC. Defendants. _____/	CASE NO. _____ PRIVILEGED AND CONFIDENTIAL RELATOR'S DISCLOSURE

RELATOR'S STATEMENT OF ANTWYON CARTER

Pursuant to § 68.083, Fla. Stat., I, Antwyon Carter, am providing the following disclosure of "substantially all material evidence and information" I possess in support of my Qui Tam action under the Florida Civil False Claims Act.

I am providing this statement concurrently with the filing a complaint under the Florida False Claims Act, Fla. Stat. §68.081 *et seq.*, against Youth Services International, Inc. and JFS Development, LLC (hereinafter referred to as "YSI"). The suit addresses YSI's scheme to defraud the State of Florida and the Florida Department of Juvenile Justice that I and the other relators become aware of during our employment with YSI. YSI's scheme and misconduct, which is summarized in detail below, has resulted in the State of Florida paying millions of dollars to YSI for youth detention services when YSI was not providing the services as required by YSI's contracts with the State.

As a consequence of YSI's actions: 1) the State of Florida did not receive the services for which it contracted and paid; 2) the youth entrusted to YSI were not properly and safely supervised; 3) the youth entrusted to YSI did not receive the medical, behavior and mental health

service required by law and YSI's contracts; 4) the youth and staff were endangered, and in some cases injured, by insufficient staffing of facilities and the use of untrained staff; and 5) the youth and the citizens of the State of Florida were deprived of the benefit of adequate rehabilitative efforts required of juvenile residential detention facilities and paid for by the citizens' tax dollars.

Youth Services International, Inc.

YSI is in the business of operating juvenile correctional and rehabilitative facilities in Florida and other states. YSI provides services in Florida through contracts with the Florida Department of Juvenile Justice, a department and agency of the State of Florida.

YSI has contracted with the Florida Department of Juvenile Justice to run a number of juvenile residential detention facilities in the state of Florida. Currently, YSI operates the following eight (8) facilities in Florida: 1) Thompson Academy in Pembroke Pines; 2) Broward Girls Academy in Pembroke Pines; 3) Palm Beach Regional Correctional Center in West Palm Beach; 4) St. John's Juvenile Correctional Facility in St. Augustine; 5) St. John's Youth Academy in St. Augustine; 6) Marion Juvenile Correctional Facility in Ocala; 7) JoAnn Bridges Academy in Greenville; and 8) Santa Rosa Youth Academy in Holt.

Pursuant to statute, regulations and YSI's contracts with the State of Florida, YSI is obligated to meet certain standards in operating youth residential detention facilities in order to qualify for payment under the contracts. For example, YSI is required to properly train youth care workers in required curriculum; is required to maintain minimum staff to youth supervision ratios; is required to provide substance abuse, mental health and behavior modification training to foster rehabilitation of youth; is required to provide for the basic needs of youth in their custody, such as food, clothing and personal hygiene products; is required to provide youth with at least an hour a day of outdoor large muscle exercise; is required to have staff check on the safety of youth every 10 minutes while youth are in their rooms at night; is required to conduct daily contraband searches and report any contraband found; is required to prepare and maintain training records regarding staff training; is required to keep accurate log books and security records of the facility; is required to ensure that Protective Action Reports ("PAR") are prepared, and in certain instances, forwarded to the Department of Juvenile Justice; is required to report assaults, escapes and drug and weapon contraband seizures to law enforcement and to the Department of Juvenile Justice; and is required to cooperate with the Department of Juvenile Justice in the conducting inspections and audits of youth detention facilities and to provide the Department of Juvenile Justice with truthful information.

As expounded on below and in the *qui tam* complaint that has been filed, I and the other Relators are personally aware that YSI failed to meet many of the contract requirements (including the above requirements), and further that personnel at YSI regularly forged, falsified and fabricated records to make it appear that YSI met the requirements for payment, and to conceal from the Department of Juvenile Justice that YSI had received contract payments that it

was not entitled to receive. YSI submitted invoices to the State of Florida on a monthly basis for services that YSI had not actually provided as required by law and its contracts with the Department, and as represented in the reports and other documents submitted to the State by YSI. As a consequence of its egregious misconduct, YSI received millions of dollars in payments from the State of Florida for running the residential detention facilities that it should have never received.

By way of further example, YSI's contract for providing residential detention services at the Thompson Academy facility is at a maximum rate of approximately $4.9 million annually, and its contract for providing residential detention services at the Palm Beach Regional Correction Center is contracted at a maximum rate of approximately $3.6 million annually. Despite receiving these amounts, YSI failed to provide the services as required by these contracts – breaching the terms of the contracts and conditions of payment in numerous instances.

I and the other relators have personal knowledge of serious contract breaches by YSI at Thompson Academy in Pembroke Pines; Palm Beach Juvenile Correctional Center in West Palm Beach; St. John's Juvenile Correctional Facility in St. Augustine, and at St. John's Youth Academy in St. Augustine. Upon information and belief, and based upon the pattern of conduct at these facilities, as well as the profit-driven but ethically lacking corporate culture at YSI, I and the other relators believe that the same or similar types of violations are occurring at all of the YSI run facilities in the State of Florida.

Summary of Relator's Pertinent Background Knowledge

As set forth in more specific detail below, I (as well as my co-relators) have direct and personal knowledge of numerous statutory, regulatory and contractual violations that have taken place at YSI facilities, as well as the concerted and unlawful efforts that YSI took to perpetrate a fraud on the State of Florida through the submission of false claims for non-rendered and deficiently rendered services, and the perpetration and concealment of the scheme through the alteration, falsification, and forging of countless documents the Department of Juvenile Justice and the State of Florida relied upon in monitoring YSI's performance under the contracts, and relied upon in making payments to YSI. To carry out the scheme to defraud the state of Florida, YSI either presented the false claims and documents directly to the State, or prepared and maintained the false documents as official documents required to be prepared and maintained by YSI pursuant to its contracts with the State.

I hold a Bachelor's degree in Psychology, and a Master's degree in Organizational Management. I was employed by YSI as the Director of Case Management at the Palm Beach Juvenile Correctional Facility from approximately November 2007 through November 2009. I continued my employment with YSI as the Assistant Facility Administrator of Thompson Academy from approximately November 2009 through approximately June 2010. During the course of my employment with YSI, I was tasked with inspecting and assisting other YSI

facilities as part of YSI's corporate auditing team. Among the other YSI facilities I inspected were Thompson Academy, St. John's Juvenile Correction Facility, St. John's Youth Academy and JoAnn Bridges Academy. During my employment with YSI at Palm Beach Regional Juvenile Correctional Facility and Thompson Academy, and during my visits to the YSI run facilities of St. John's Juvenile Correction Facility, St. John's Youth Academy and JoAnn Bridges Academy, I witnessed numerous breaches of YSI's contractual obligations to the State of Florida and the Department of Juvenile Justice.

The misconduct at YSI's Palm Beach Regional Correctional Center and Thompson Academy that I am aware of includes the following:

-The facilities routinely failed to have sufficient staff on shift in order to meet required staff to youth supervision ratios;

-Staff would falsify, forge or fabriacte required documentation in advance of Department of Juvenile Justice inspections, as well as before accreditation inspections;

-Staff would falsify or include false information in documentation provided to the Department of Juvenile Justice in support of requests for payment;

-The types of documents that were altered, forged or fabricated included:

-case management documents;
-mental health files, including treatment plans/goals;
-10 minute checks;
-maintenance records; and
-training documentation.

-The false case management documentation included:

-made up performance summaries;
-bogus community service hours entries; and
-false performance dates made up.

-With respect to training, staff would be given the answers to the core training tests in advance to ensure that they would pass;

-Training would be shortened in order to get new staff onto the floor to supervise youth even though required training had not been completed;

-Training documentation was falsified to reflect that training was given when it was not;

-Attempted escapes were not reported to the Department of Juvenile Justice as required;

-Fights between youth and staff would occur but would not be written up in PAR incident reports as required. The administration was specifically concerned about PARs being written up because they would be used against the company in contract requests and renewals;

-Staff would not check on youth every 10 minutes at night as required, and would create false documentation reflecting that they did; and

-The facilities failed to provide for the basic needs of youth, such as clothing, food and personal hygiene products.

Additionally, having occupied management positions with YSI, I am aware of the financial incentives and pressures YSI's corporate office placed on facility administrators to cut costs at the expense of meeting contract requirements such as meeting staffing ratios, required training, clothing and personal hygiene supplies for youth, and mental health and behavior intervention. Moreover, facility administrators would receive bonuses for coming in under a certain budget and would be pressured not to incur overtime expenses even if there was not sufficient staff to meet mandated staff to youth supervision ratios.

I am also aware that both the facilities' management and YSI's senior management were aware of, and encouraged or directed the creation of false, forged or fictitious documentation to make it appear that YSI was meeting its contractual requirements in order to receive payment from the State.

In addition to my knowledge about misconduct at the above two facilities, I am also aware that case management documentation was falsified at YSI's St. John's facilities. I learned of this while conducting an audit at the facilities. The YSI regional manager was aware of, and encouraged the falsification of documentation.

The above statements are true and correct to the best of my knowledge.

Dated this 10th day of August, 2012.

Antwyon Carter