

Client Trust Fund Inspection Report
Grantee: Legal Aid Society of Broward County
Recipient No. 610016
Report No. 99-008

FINAL

May 5, 1999

VIA E-mail
Mr. Anthony Karrat
Executive Director
Legal Aid Society of Broward County

Dear Mr. Karrat:

This report (OIG 99-008) provides the results of our inspection of Legal Aid Society of Broward County's (LASBC) compliance with the LSC Accounting Guide For LSC Recipients (Accounting Guide) with respect to client trust funds. The inspection focused on compliance with record keeping requirements as established in the Accounting Guide.

The on-site inspection was conducted April 13-15, 1999, at the central office in Fort Lauderdale and the branch office located in Pompano Beach, Florida. The inspection determined that Legal Aid Society of Broward County was in general compliance with the LSC Accounting Guide.

The inspection identified the following areas where internal controls should be improved:

1. LASBC has a Client Trust Disbursement Request form but the reason for the disbursement is not clearly noted on the form and is not always included as required by the Accounting Guide. We suggest you revise the Client Trust Disbursement Request form currently being used to include a specific line item for the reason for the disbursement as well as a specific line item for the case number.
2. Client trust fund checks remain outstanding for more than two months. After checks are outstanding for approximately one year letters are sent to the clients last known address informing them a check was sent and has not been cashed. We suggest that LASBC revise current policy to initiate a letter to the client after a check has been outstanding for two months. In addition, directory assistance should be consulted and an Internet search should be made, e.g. through (www.whothere.lycos.com). If the client cannot be located a system is currently in place to track the unclaimed funds and report them to the state in accordance with state escheat laws.

Please provide a copy of this report to each member of the board of directors of the Legal Aid Society of Broward County.

Sincerely,

(Signed)

E.R. Quatrevaux
Inspector General

cc: Karen Sarjeant, Vice President for Programs
Danilo Cardona, Director of Office of Compliance and Enforcement