

ARREST / NOTICE TO APPEAR

 1. Arrest 3. Request for Warrant
 2. N.T.A. 4. Request for Capias

3

JUVENILE

OBTS Number	
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Agency ORI Number	Agency Name	Agency Report Number (N.T.A.'s only)
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0500400

Delray Beach Police Department

4 0 16-01814

Charge Type: Check as many as apply:	<input checked="" type="checkbox"/> 1. Felony <input type="checkbox"/> 3. Misdemeanor <input type="checkbox"/> 5. Ordinance <input type="checkbox"/> 2. Traffic Felony <input type="checkbox"/> 4. Traffic Misdemeanor <input type="checkbox"/> 6. Other	IF Weapon Seized Enter Type None/not Applicable	Multiple Clearance Indicator 93
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Location of Arrest (Including Name of Business)	Location of Office (Business Name, Address) 2230 W ATLANTIC AVE, DELRAY BEACH, FL 33445				
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Date of Arrest	Time of Arrest	Booking Date	Booking Time	Jail Date	Jail Time	Location of Vehicle
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Name (Last, First, Middle)	Alias:					Alias (Name, DOB, Soc. Sec. #, Etc.)	
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KANDLER, DANIEL N

Alias:

Alias (Name, DOB, Soc. Sec. #, Etc.)

Race W - White 1 - American Indian B - Black 0 - Oriental/Asian	Sex W M	Date of Birth 01/21/1976	Height 5'07	Weight 165	Eye Color BROWN	Hair Color BLACK	Complexion	Build
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Scars, Marks, Tattoos, Unique Physical Features (Location, Type, Description)	Marital Status	Religion		Indication of: Alcohol Influence <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unk.	Drug Influence <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unk.
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Local Address (Street, Apt. Number) 9636 BRIDGEBOOK DR, BOCA RATON, FL 33496	(City)	(State)	(Zip)	Phone	Residence Type: 1. City 3. Florida 2. County 4. Out of State	2
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Permanent Address (Street, Apt. Number) 9636 BRIDGEBOOK DR, BOCA RATON, FL 33496	(City)	(State)	(Zip)	Phone	Address Source
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Business Address (Name, Street) CHAPTERS (GOOD FUTURE),	(City)	(State)	(Zip)	Phone	Occupation Owner
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DL Number, State K534174760210/	Soc. Sec. Number [REDACTED]	INS Number	Place of Birth (City, State) NEW YORK, NY, United	Citizenship		
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Co-Defendant Name (Last, First, Middle)	Race	Sex	Date of Birth	<input type="checkbox"/> 1. Arrested	<input type="checkbox"/> 3. Felony	<input type="checkbox"/> 5. Juvenile
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Co-Defendant Name (Last, First, Middle)	Race	Sex	Date of Birth	<input type="checkbox"/> 2. At Large	<input type="checkbox"/> 4. Misdemeanor
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<input type="checkbox"/> Parent <input type="checkbox"/> Other: _____	Name (Last, First, Middle)					Residence Phone
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<input type="checkbox"/> Legal Custodian						Business Phone
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Address (Street, Apt. Number)	(City)	(State)	(Zip)			
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Notified by: (Name)	Date	Time	JUVENILE DISPOSITION		
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Released To: (Name)	Relationship	Date	Time	1. Handled/Processed within Department and Released	2. TOT JAC
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Released To: (Name)	Relationship	Date	Time	3. Incarcerated	
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The above address was provided by <input type="checkbox"/> defendant and/or <input type="checkbox"/> defendant's parents. The child and/or parent was told to keep the Juvenile Court Clerk's Office (Phone 355-2526) informed of any change of address.	School Attended	Grade
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<input type="checkbox"/> Yes, by: <input type="checkbox"/> No:	Property Crime? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Description of Property	Value of Property
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Drug Activity N. N/A P. Possess	S. Sell B. Buy T. Traffic	R. Smuggle D. Deliver E. Use	K. Dispenses/ Distribute	M. Manufacture/ Produce/ Cultivate	Z. Other	Drug Type N. N/A A. Amphetamine	B. Barbiturate C. Cocaine E. Heroin	H. Hallucinogen M. Marijuana O. Opium/Deriv.	P. Paraphernalia/ Equipment	U. Unknown Z. Other
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Charge Description AIDING, ABETTING, ADVISING OR PARTICIPATE IN PATIENT BROKER	Status Violation Number 817.505(1)(D)	Violation of ORD #
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Drug Activity N	Drug Type	Amount / Unit /	Offense # 16-01814	Counts 93	Domestic Violence <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Warrant / Capias Number	Bond
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Charge Description						Status Violation Number	Violation of ORD #
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Drug Activity	Drug Type	Amount / Unit /	Offense #	Counts	Domestic Violence <input type="checkbox"/> Y <input type="checkbox"/> N	Warrant / Capias Number	Bond
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Charge Description						Status Violation Number	Violation of ORD #
--------------------	--	--	--	--	--	-------------------------	--------------------

Drug Activity	Drug Type	Amount / Unit /	Offense #	Counts	Domestic Violence <input type="checkbox"/> Y <input type="checkbox"/> N	Warrant / Capias Number	Bond
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Health / Apparent Physical Condition of Defendant						Any knowledge of the following: <input type="checkbox"/> Mental <input type="checkbox"/> Foreign Body <input type="checkbox"/> Medication <input type="checkbox"/> Deformities <input type="checkbox"/> Injuries Explain: 1	
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Check which applies: <input type="checkbox"/> Released O.R. <input type="checkbox"/> Posted Bond	<input type="checkbox"/> Released to Parent/Guardian <input type="checkbox"/> South County Mental Health	<input type="checkbox"/> T.O.T. County Jail	PROPERTY - Received By	Released By	Released To	
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Transported By	Date Transported	Time Transported	Other			
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<input checked="" type="checkbox"/> INSTRUCTION NO. 1 - Mandatory appearance in court	Location (Court, Room) South County 200 W Atlantic Ave Delray Beach, FL 33444					
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<input type="checkbox"/> INSTRUCTION NO. 2 - You need not appear in Court but must comply with instructions on Page 2.	Court Date and Time 1/12/14					
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I AGREE TO APPEAR AT THE TIME AND PLACE DESIGNATED TO ANSWER THE OFFENSE CHARGED OR TO PAY THE FINE SUBSCRIBED. I UNDERSTAND THAT SHOULD I WILLFULLY FAIL TO APPEAR BEFORE THE COURT AS REQUIRED BY THIS NOTICE TO APPEAR, THAT I MAY BE HELD IN COMTEMPT OF COURT AND A WARRANT FOR MY ARREST SHALL BE ISSUED.						No Photo Available
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Signature of Defendant (or Juvenile and Parent/Custodian)						Date Signed
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HOLD for Other Agency		Signature [REDACTED]	Name Verification (Printed by Arrestee)		
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<input type="checkbox"/> Dangerous <input type="checkbox"/> Resisted Arrest <input type="checkbox"/> Suicidal <input type="checkbox"/> Other		Name of Arresting Officer (Print) [REDACTED]	I.D. # [REDACTED]	(PRINT)	
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Intake Deputy I.D. #		Pouch #	Transporting Officer	I.D. #	Agency
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Witness here if subject signed with an "X".					
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	OBTS Number	PROBABLE CAUSE AFFIDAVIT							
A D M I N I S T R A T I V E	Agency ORI Number FL 0500400	Agency Name DELRAY BEACH POLICE DEPARTMENT	1. Arrest 2. N.T.A. 3. Request for Warrant 4. Request for Capias			3	JUVENILE		
N	Charge Type: Check as many as apply: <input checked="" type="checkbox"/> 1. Felony <input type="checkbox"/> 3. Misdemeanor <input type="checkbox"/> 5. Ordinance <input type="checkbox"/> 2. Traffic Felony <input type="checkbox"/> 4. Traffic Misdemeanor <input type="checkbox"/> 6. Other			Agency Report Number 4 0 16-018184			Special Notes:		
D E F	Name (Last, First, Middle) KANDLER, DANIEL N			Alias			Race W	Sex M	Date of Birth 01/21/1976
C H A R G E S	Charge Description PATIENT BROKERING		Charge Description						
V I C T I M	Charge Description		Charge Description						
The undersigned certifies and swears that he/she has just and reasonable grounds to believe, and does believe that the above named Defendant committed the following violation of law.									
The Person taken into custody ...									
<input type="checkbox"/> committed the below acts in my presence.					<input type="checkbox"/> was observed by _____ who told _____				
<input type="checkbox"/> confessed to _____ admitting to the below facts.					<input checked="" type="checkbox"/> was found to have committed the below acts, resulting from my (described) investigation.				
On the <u>28</u> day of <u>March</u> <u>2016</u> at <u>00:00</u> (Specifically include facts constituting cause for arrest.)									
The following investigation was conducted in Palm Beach County, Florida regarding an ongoing patient brokering scheme between The Good Future, INC. (D.B.A. Chapters Recovery, hereinafter referred to as "Chapters") substance abuse treatment facility and multiple sober home owners. Chapters is led by CEO Daniel Kandler, who is also a principal owner of Chapters.									
On October 27, 2016, DBPD CI # V16-0033, an employee of Chapters, who reported witnessing "patient brokering, case management contracts, and meetings discussing such," provided a case manager list and explained that the people on the list were called "case managers" but were just being paid for patient referrals. He/she said Chapters management told him/her that they were paying \$500 per insured IOP patient per week and \$1,000 per insured PHP patient per week. They reported paying nothing for un-insured/scholarship patients. John Dudek was on the "Case Manager List" as the owner of Southern Palms Oasis, "Kris Bayne" as the owner of Guiding Light, and "Eric & Adam" as the owners of "Vantage (Treatment Professionals.)" Per the Florida Department of Corporations John Dudek is one of the owners of Southern Palms Oasis, Inc., Kristopher Bayne is one of the owners of Guiding Light Properties, LLC., and Eric and Adam Lahr are the owners of The Treatment Professionals, LLC.									
A prior employee (D.C.) provided a sworn statement on December 1, 2016 that she was hired as an actual case manager. She reported her responsibilities as follows: completing court letters, working with families of the patients, completing discharge plans, doing patient intakes, and pre-certifications. She identified subjects from the "case manager list" as marketers, not actual case managers like herself.									
On October 31, 2016, your affiant sought and received court approval to conduct an undercover operation and investigation at The Good Future, Inc. pursuant to 42 U.S.C. section 2.									
A D M I N I S T R A T I V E	SWORN AND SUBSCRIBED BEFORE ME  NOTARY PUBLIC / CLERK OF COURT / OFFICER (F.S.S. 117.10) <u>2/15/17</u> DATE			SIGNATURE OF ARRESTING / INVESTIGATING OFFICER [Redacted] NAME OF OFFICER (PLEASE PRINT) [Redacted] 02/15/2017 DATE					
PAGE 1 OF 7									

COURT

STATE ATTORNEY

CENTRAL RECORDS

JAIL

CRIME ANALYSIS

P.I.O.

OBTS Number		PROBABLE CAUSE AFFIDAVIT SUPPLEMENT			1. Arrest	3. Request for Warrant	3	JUVENILE
					2. N.T.A.	4. Request for Capias		
A	Agency ORI Number	Agency Name	Agency Report Number					
D	FL 0500400	DELRAY BEACH POLICE DEPARTMENT	4	1	0	16-018184		
M	Charge Type: Check as many as apply.					Special Notes:		
N	<input checked="" type="checkbox"/> 1. Felony	<input type="checkbox"/> 3. Misdemeanor	<input type="checkbox"/> 5. Ordinance					
	<input type="checkbox"/> 2. Traffic Felony	<input type="checkbox"/> 4. Traffic Misdemeanor	<input type="checkbox"/> 6. Other					
D	Name (Last, First, Middle)			Alias		Race	Sex	Date of Birth
E	KANDLER, DANIEL N					W	M	01/21/1976

On November 17, 2016 Dudek was arrested for 6 counts of patient brokering for the referral of patients to Whole Life Recovery, DBPD case # 16-17505. While conducting a post Miranda interview with him regarding his patient brokering relationship in that case, he said he was surprised I wasn't investigating Chapters. He admitted to signing a contract with "Daniel" (described as a little Italian guy.) He said Kandler promised him \$400 per week per patient for any number of patients less than 10, but if Dudek was able to refer over 10 per week, he would receive \$600 per week.

Dudek stated on one occasion he had seen a patient sitting on the floor during a group session who appeared to be under the influence.

Dudek said each week on Mondays he would complete a weekly roster with the names of the patients/residents of his sober home that he referred to Chapters. A Chapters employee would verify via their computer system if those patients attended the groups and submitted to their urinalysis testing. Then he would be paid on Tuesdays.

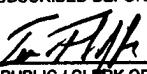
He said Chapters would hold regular "case manager" (sober home owner) meetings at their facility, usually on Tuesdays or Thursdays at 1pm or 1:30pm. The employees from Chapters that would attend the meeting were; Daniel Kandler, "Sarah" (described as Muslim female,) "Wendy," and Eva Dudek. The sober home owners he could remember attending the meetings were; Bryan Norquist, Kris Bayne, and "Michelle" (described as tall with red hair.) He said he could not remember any more names, but that there were 10-14 sober home owners in the meetings. The meetings were to discuss how everything was going and if there were any issues. He reportedly complained during the meetings that no one from Chapters ever visited the houses, and that he told Kandler the IOP program was garbage. He said Chapters took a "good luck, roll the dice" approach to the care of the patients while at the sober home.

There have been reports that case management agreements were developed by treatment facilities in an attempt to circumvent Florida's patient brokering statute which states "it is unlawful for any person to offer or pay any commission, bonus, rebate, kickback, or bribe, or engage in any split-fee arrangement to induce the referral of patients or patronage to or from a health care provider" §817.505, Fla. Stat. (2016). A health care provider includes "any substance abuse service provider licensed under chapter 397. Chapters is licensed facilities under 397.

On December 6, 2016 the Sober Homes Task Force executed a search warrant at Chapters, DBPD case # 16-18184. During the search officers located a "Social Services Agreement," where "John Dudek[`s]" name was written in the top right corner, Daniel Kandler made hand written changes on the agreement and initialed those changes, "DK." Dudek signed the contract and listed himself as a "manager" with the address of his sober home. During the search warrant copies of 26 checks that had been remitted by "The Good Future

SWORN AND SUBSCRIBED BEFORE ME
M. Pyle
NOTARY PUBLIC / CLERK OF COURT
2/21/13
DATE

SIGNATURE OF ARRESTING / INVESTIGATING OFFICER	
[Redacted]	
NAME OF OFFICER (PLEASE PRINT)	
02/15/2017	
DATE	

	OBTS Number	PROBABLE CAUSE AFFIDAVIT SUPPLEMENT			1. Arrest 2. N.T.A.	3. Request for Warrant 4. Request for Capias	3	JUVENILE
A D M I N	Agency ORI Number FL 0500400	Agency Name DELRAY BEACH POLICE DEPARTMENT	Agency Report Number 4 0 16-018184					
D E F	Charge Type: <input checked="" type="checkbox"/> 1. Felony <input type="checkbox"/> 3. Misdemeanor <input type="checkbox"/> 5. Ordinance Check as many as apply: <input type="checkbox"/> 2. Traffic Felony <input type="checkbox"/> 4. Traffic Misdemeanor <input type="checkbox"/> 6. Other			Special Notes:				
P R O B A B L E C A U S E S T A T E M E N T T	Name (Last, First, Middle) KANDLER, DANIEL N			Alias	Race	Sex	Date of Birth W M 01/21/1976	
<p>Inc" to "Southern Palms Oasis" were located. The checks were drawn on The Good Future, Inc., Bank of America account, number [REDACTED] and all but 1 were remitted by Shelley Herman. One check was remitted by Daniel Kandler. These checks were negotiated by Dudek and totaled \$44,900.00 The following is a list of the check numbers and amounts:</p> <p>Check # 2981, dated 10/25/16 in the amount of \$1,500.00 Check # 2965, dated 10/20/16 in the amount of \$1,000.00 Check # 2931, dated 10/11/16 in the amount of \$ 500.00 Check # 2914, dated 10/4/16 in the amount of \$500.00 Check # 2878, dated 09/27/16 in the amount of \$2,000.00 Check # 2889, dated 09/27/16 in the amount of \$1,000.00 Check # 2852, dated 09/20/16 in the amount of \$1,500.00 Check # 2791, dated 09/06/16 in the amount of \$2,500.00 Check # 2729, dated 08/22/16 in the amount of \$2,500.00 Check # 2675, dated 08/09/16 in the amount of \$2,500.00 Check # 2607, dated 08/01/16 in the amount of \$1,500.00 Check # 2599, dated 08/01/16 in the amount of \$800.00 Check # 2620, dated 07/26/16 in the amount of \$2,500.00 Check # 2547, dated 07/19/16 in the amount of \$3,500.00 Check # 2512, dated 07/11/16 in the amount of \$4,000.00 Check # 2485, dated 07/05/16 in the amount of \$3,000.00 Check # 2451, dated 06/27/16 in the amount of \$3,150.00 Check # 2420, dated 06/20/16 in the amount of \$2,700.00 Check # 2397, dated 06/13/16 in the amount of \$1,500.00 Check # 2382, dated 06/06/16 in the amount of \$1,350.00 Check # 2355, dated 05/31/16 in the amount of \$900.00 Check # 2326, dated 05/24/16 in the amount of \$1,350.00 Check # 2266, dated 05/03/16 in the amount of \$450.00 Check # 2242, dated 04/25/16 in the amount of \$900.00 (this check was remitted by Kandler) Check # 2216, dated 04/18/16 in the amount of \$450.00 Check # 1932, dated 04/11/16 in the amount of \$1,350.00</p> <p>Along with the checks were printed lists of "Case Managers" with dollar amounts and then handwritten check marks next to the dollar amounts. Some of the dollar amounts on the sheets corresponded with dollar amounts on the checks. The following is a list of the sheets that corresponded with Dudek's payments;</p> <p>" 3-Oct, Case Managers, Southern Palms Oasis, \$500.00 (check mark)" " wk of 9/26, Case Managers, checks 10/4, Southern Palms Oasis, \$500 (check mark.)" There was a paid stamp at the bottom of this sheet. " 9/27/2016, Case Managers, Southern Palms Oasis, \$2000.00 (check mark.)" There</p>								
A D M I N I S T R A T I V E	SWORN AND SUBSCRIBED BEFORE ME			SIGNATURE OF ARRESTING/INVESTIGATING OFFICER				
 NOTARY PUBLIC / CLERK OF COURT / OFFICER (F.S.S. 117.10) 2/23/17 DATE			[REDACTED] NAME OF OFFICER (PLEASE PRINT) [REDACTED] 02/15/2017 DATE					
			PAGE 3 OF 7					

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STATE ATTORNEY

CENTRAL RECORDS

JAIL

CRIME ANALYSIS

P. I. O.

OBTS Number

PROBABLE CAUSE AFFIDAVIT
SUPPLEMENT
 1. Arrest
 2. N.T.A.
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3

JUVENILE

A D M I N I T U R E	Agency ORI Number FL 0500400	Agency Name DELRAY BEACH POLICE DEPARTMENT	Agency Report Number 4 0 16-018184
N	Charge Type: Check as many as apply. 1. Felony 2. Traffic Felony	3. Misdemeanor 4. Traffic Misdemeanor	5. Ordinance 6. Other
D E F	Name (Last, First, Middle) KANDLER, DANIEL N	Alias	Race W M Date of Birth 01/21/1976

were two sheets dated 9/27. The second sheet read "09/27, Southern Palms Oasis \$1,000.00 (check mark.)

" "9/19/2016, Case Managers, Southern Palms Oasis, \$1,500.00 (check mark.)" There was a paid stamp at the bottom of this sheet.

During the search warrant a "Social Services Agreement" between Bayne and Kandler, signed 2/16/16 was located. The contract was almost identical to the one signed by Dudek. Officers also located 33 checks payable to "Guiding Light Properties", Kristopher Bayne's company. The checks were drawn on The Good Future, Inc. Bank of America account, number [REDACTED] and signed by Shelly Herman. These checks were negotiated by Bayne and totaled \$94,225. Most of the checks were accompanied by a time log sheet indicating the "total # of Clients served" for the week's payment. Some of the checks were accompanied by a schedule of case manager payments with handwritten notes.

The following is a list of the checks recovered and number of "clients served" indicated in the accompanying log sheets/notes:

CHECK #	DATE	AMOUNT	# CLIENTS SERVED (AND OTHER NOTES)
1890	3/28/16	\$1,350	3
19XX	4/11/16	1,800	4
2215	4/18/16	1,350	3
2243	4/25/16	1,350	3
2257	5/02/16	900	2
2294	5/09/16	1,350	3
2315	5/16/16	1,800	4
2330	5/24/16	2,025	5
2453	6/27/16	3,600	8
2360	5/31/16	2,700	7
2384	6/06/16	2,925	7
2399	6/13/16	3,375	8
2423	6/20/16	2,025	6
2426	6/20/16	225	
2487	7/05/16	4,050	11
2514	7/11/16	4,950	12
2545	7/19/16	3,600	9
2615	7/26/16	4,500	11
2594	8/01/16	4,050	10
2670	8/09/16	5,150	12
2694	8/16/16	4,950	12
2731	8/23/16	2,500	10 (4,500-2,000 loan repays)
2783	9/06/16	3,050	14 (4,050-1,000 loan repay)
2845	9/20/16	4,200	10 (5,200-1,000 loan repay)

SWORN AND SUBSCRIBED BEFORE ME

NOTARY PUBLIC / CLERK OF COURT / OFFICER (F.S.S. 117.10)

2/23/17

DATE

SIGNATURE OF ARRESTING / INVESTIGATING OFFICER

NAME OF OFFICER (PLEASE PRINT)

02/15/2017

DATE

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CRIME ANALYSIS

P. I. O.

OBTS Number	
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**PROBABLE CAUSE AFFIDAVIT
SUPPLEMENT**

1. Arrest 3. Request for Warrant
2. N.T.A. 4. Request for Capias

3

JUVENILE

A D M I N I T U R E	Agency ORI Number FL 0500400	Agency Name DELRAY BEACH POLICE DEPARTMENT	Agency Report Number 4 0 16-018184		
N	Charge Type: Check as many as apply: 1. Felony 2. Traffic Felony	3. Misdemeanor 4. Traffic Misdemeanor	5. Ordinance 6. Other	Special Notes:	
D E F	Name (Last, First, Middle) KANDLER, DANIEL N	Alias	Race W	Sex M	Date of Birth 01/21/1976

2884	9/27/16	3,950	11 (4,950-1,000 loan repay)
2977	10/25/16	2,600	
2964	10/20/16	450	
2955	10/18/16	2,825	(3,825-1,000 "he still owes")
2928	10/11/16	1,925	(2,925-1,000 "took the 1000 off owed")
2910	10/04/16	3,500	(4,500-1,000 "already deducted 1000")
2870	9/27/16	3,050	(4,050-1,000)
2884	9/27/16	3,950	(4,950-1,000 "already deducted 1000")
2845	9/20/16	4,200	(5,200-1,000 "1000 has been deducted...")
TOTAL		\$94,225	

During the search warrant a "Social Services Agreement" between Eric Lahr and Kandler, signed 2/18/16 was located. The contract was almost identical to the one signed by Dudek. Officers also located 34 checks payable to Erick and Adam Lahr's company. The checks were drawn on The Good Future, Inc., Bank of America account, number [REDACTED] and signed by Shelly Herman (and in one instance, by Kandler.) These checks were negotiated by the Lahrs and totaled \$185,904.00. Most of the checks were accompanied by a time log sheet indicating the "total # of Clients served" for the week's payment. Some of the checks were accompanied by a schedule of case manager payments with handwritten notes.

The following is a list of the checks recovered and number of "clients served" indicated in the accompanying log sheets/notes:

CHECK #	DATE	AMOUNT	# CLIENTS SERVED (AND OTHER NOTES)
1891	03/28/16	\$6,500	13
1935	04/12	3,500	7
2217	04/18	3,500	7
2244	04/25	7,500	15
2262	05/02	7,500	15
2263	05/02	500	
2296	05/09	8,000	16
2312	05/16	8,500	17
2329	05/24	8,500	17
2358	05/31	9,500	19
2387	06/06	8,000	15
2400	06/13	7,500	15
2429	06/20	12,000	24
2456	06/20	7,500	15
2492	07/05	6,328	14
2519	07/12	5,828	16
2548	07/19	6,978	16

ADMINISTRATIVE	SWORN AND SUBSCRIBED BEFORE ME  NOTARY PUBLIC / CLERK OF COURT / OFFICER (F.S.S. 117.10) <u>2/15/17</u> DATE	SIGNATURE OF ARRESTING/INVESTIGATING OFFICER  NAME OF OFFICER (PLEASE PRINT) <u>02/15/2017</u> DATE	PAGE 5 OF 7
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STATE ATTORNEY

CENTRAL RECORDS

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CRIME ANALYSIS

P. I. O.

OBTS Number

PROBABLE CAUSE AFFIDAVIT
SUPPLEMENT
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JUVENILE

A D M I N I S T R A T I V E	Agency ORI Number FL 0500400	Agency Name DELRAY BEACH POLICE DEPARTMENT	Agency Report Number 4 0 16-018184
N	Charge Type: Check as many as apply. <input checked="" type="checkbox"/> 1. Felony <input type="checkbox"/> 2. Traffic Felony	<input type="checkbox"/> 3. Misdemeanor <input type="checkbox"/> 4. Traffic Misdemeanor	5. Ordinance <input type="checkbox"/> 6. Other
D E F	Name (Last, First, Middle) KANDLER, DANIEL N	Alias	Race Sex Date of Birth W M 01/21/1976

2621	07/26	7,328	17
2600	08/01	3,500	7
2601	08/01	7,328	17
2606	08/02	500	1
2676	08/09	7,626	15
2983	10/25	1,500	note: "paid \$1500"
2982	10/25	5,328	
2985	10/25	1,500	
2966	10/20	500	
2959	10/18	11,328	
2934	10/13	1,000	
293	10/11	4,828	
2918	10/05	1,000	
2915	10/04	3,328	
02879	09/27	3,828	note: "pd 3828--\$904 less next week"
2892	09/27	2,924	
2853	09/20	4,924	
L E	TOTAL	\$185,904	

On December 6, 2016, following the execution of the search warrant multiple employees provided sworn statements regarding their knowledge of the Chapters operation. Per multiple employee statements it was general knowledge that sober home owners were paid for patient referrals, and that these people's sole connection to Chapters was the referral of patients.

The HR director reported that Chapters worked with the following sober home owners; Kris Bayne, Adam and Eric Lahr, John Dudek. She said she was in charge of employee payroll, but these were not actual employees, they only did patient referrals and therefore she did not handle their pay. She said, they were paid per patient referral depending on the patient's level of care. She did not know how much they were paid for OP patients, but said they were paid "\$500 a head" for Intensive Outpatient treatment and \$1,000 per patient for Partial Hospitalization Program patient referrals, per week. They would begin getting paid after 2 weeks of the patient beginning to attend treatment. There was a time when she was responsible for "that census," and that the patients had to attend all of their treatment sessions in order for the sober home owner to be paid. She said she did not know who handed out the checks to the sober home owners. She reported handing out payroll checks and reiterated that the payments to the sober home owners were not paid via payroll.

She said, Eric & Adam Lahr, and Kris Bayne were just hired as employees, with the job title "outreach coordinator." She was told to create a job description for them. I asked why the 3 men were changed from sober home owners/marketers to outreach coordinators. She said there were a lot of closed door meetings recently that she was not in on, but

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SWORN AND SUBSCRIBED BEFORE ME

NOTARY PUBLIC / CLERK OF COURT / OFFICER (F.S.S. 117.10)

2/17/17

DATE

SIGNATURE OF ARRESTING / INVESTIGATING OFFICER

NAME OF OFFICER (PLEASE PRINT)

02/15/2017

DATE

PAGE
6 OF 7

COURT

STATE ATTORNEY

CENTRAL RECORDS

JAIL

CRIME ANALYSIS

P.I.O.

OBTS Number

**PROBABLE CAUSE AFFIDAVIT
SUPPLEMENT**

1. Arrest 3. Request for Warrant
2. N.T.A. 4. Request for Capias

3

JUVENILE

Agency ORI Number FL 0500400	Agency Name DELRAY BEACH POLICE DEPARTMENT	Agency Report Number 4 0 16-018184
Charge Type: Check as many as apply: 1. Felony 2. Traffic Felony	3. Misdemeanor 4. Traffic Misdemeanor	5. Ordinance 6. Other
Special Notes:		
Name (Last, First, Middle) KANDLER, DANIEL N	Alias	Race W
		Sex M
		Date of Birth 01/21/1976

until approximately August 2016 she had been in all management meetings. The following people were in the recent meetings; Daniel Kandler (owner), Eva Dudek (program director), Jessica Meraz (clinical director), and Sarah Muhammed (admissions director.) I asked in her opinion why did they change the three sober home owners to outreach coordinators/employees. She said, they did it to avoid "unwanted attention from law enforcement." Payroll records of Good Future, Inc. located during the execution of the search warrant show, for the pay period 10/26/16-11/8/16, that Eric and Adam Lahr were each listed as "staff" employees and paid \$5,000 each with the notation "1099FA" next to their names. For the same period, Kris Bayne was listed as an "Outreach" employee and paid \$5,000 with the notation "SAL" under the payroll type.

In total, The Good Future, Inc., under the direction of Kandler, remitted 26 checks totaling \$44,900.00 to Southern Palms Oasis for the benefit of John Dudek. Also remitted were 33 checks totaling \$94,225 to Guiding Light Properties for the benefit of Kristopher Bayne, and 34 checks totaling \$185,904 to The Treatment Professionals for the benefit of Eric and Adam Lahr.

Based on the aforementioned facts, probable cause exists to issue a warrant for the arrest of Daniel Kandler 93 counts of Aiding, Abetting, Advising, or Participating in Patient Brokering pursuant to F.S.S. 817.505(1) (d), Fla. Stat.

CAUSE STATEMENT

ADMINISTRATIVE SWORN AND SUBSCRIBED BEFORE ME

NOTARY PUBLIC / CLERK OF COURT / OFFICER (F.S.S. 117.10)

7/17/17
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