



## INSPECTOR GENERAL REPORT

2013-11-0219

July 28, 2014

### CONTRACTOR FRAUD

*Inspector General Staff Attorney Jennifer Cooper, after an investigation by Special Agent Michael D. Mischler, reports as follows:*

In November of 2013 the Office of the Inspector General (OIG) received a request to investigate alleged criminal acts by a former Indiana Department of Corrections (“DOC”) contract worker (“Contractor”). Special Agent Mischler was assigned to investigate. The DOC reported this activity to the OIG and assisted in the investigation.

The OIG is responsible for pursuing criminal investigations in addition to its duties to enforce Indiana ethics rules within the executive branch of Indiana state government. IC 4-2-7-3.

On November 26, 2013, Special Agent Mischler interviewed Contractor’s former direct supervisor (“Supervisor”). The Supervisor advised that Contractor performed data entry work for the DOC from 2010 through November 22, 2013, the date on which she terminated. The Supervisor explained that contractors in his department receive payment based on the hours recorded on invoices that they

submit to him for approval. Once the Supervisor receives the invoices, he scans the original invoice into his computer. The Supervisor then provides the original invoices to a DOC accountant who processes the invoices and then forwards the original invoices to the Auditor's Office for payment to the contractor. The Supervisor advised that in September Of 2013 he discovered invoices on which his signature appeared to have been photocopied. In addition, the Supervisor indicated that the dates on these invoices had been altered in handwriting that differed from his own.

Special Agent Mischler obtained Contractor's eighty-nine (89) original invoices from the Auditor's Office for review. In examining the invoices the supervisor advised that Invoice 66 was the last invoice he had scanned in his computer after signing and he did not recall signing or scanning any invoices after Invoice 66. Examination of the subsequent invoices revealed that the signatures on Invoices 66-86 appeared to be photocopied. Invoices 87-89 were never processed for payment due to a lack of supporting documentation for work completed.

After determining that the signatures on Invoices 66-86 appeared to be forged, and because Contractor was not authorized to complete work from home, Special Agent Mischler requested office and parking garage access records to determine when Contractor was actually in the DOC offices completing work per her contract. Using her ID card activity records, Special Agent Mischler was able to determine the number of hours Contractor actually worked on the dates included in her submitted invoices. Affiant compared this activity information to

the invoices that appeared to contain the supervisor's photocopied signatures in order to determine if the hours worked matched the hours claimed on these invoices. Special Agent Mischler calculated the differences between hours worked and hours claimed on these invoices and the subsequent amount of payment that was unearned. Special Agent Mischler was able to determine that Contractor received at least Four Thousand Five Hundred Twenty-Three dollars and 82/100 (\$4523.82) in unearned compensation.

On March 5, 2014, Special Agent Mischler interviewed Contractor at the OIG offices. During the interview Contractor admitted that she recorded more hours on some of the invoices than she had actually worked. Contractor also admitted to forgeries on the invoices but could not specifically state how many invoices she had forged.

This case was presented to the Marion County Prosecutor's Office and criminal charges were filed against Contractor. Contractor was charged with twenty (20) counts of Forgery, a Class C Felony and one (1) count of Theft, a Class D Felony. Accordingly, this investigation is closed.

APPROVED BY:

/s/ David O. Thomas, Inspector General