

Mark Mahon

Director of Special Investigations
Indiana State Board of Accounts

Tammy Baker

Special Investigations Coordinator Southern
District

Dean Gerlach

Special Investigations Coordinator Northern
District

Map of Special Investigations Districts April 2018

Northern District:

- Dean Gerlach, Coordinator
- Stan Willmert
- Mary Jo Small
- Jeff Paul
- Steve Poor
- Kristin Campbell
- Bill Vinson

Southern District:

- Tammy Baker, Coordinator
- Gina Gambaiani
- Annette Ladson
- Sandy Gerlach
- David Bixler
- Lynne Spencer
- Jon Bennington
- Eugene West
- Sam Wilson



SBOA Special Investigations Role

- Assess situations where there is an indication of fraud or other criminal activity involved (Situations may be complaints into the SBOA, issues that come up in routine audits, self referrals, law enforcement referrals)
- Where appropriate, conduct a focused audit/investigation on the activities related to the potential criminal activity
- Coordinate with law enforcement, prosecutors, and the Indiana Attorney General to resolve the matter through the judicial system
- Prevent the misuse of public resources through education and outreach

What to expect from Special Investigations

Assessment Phase

- In initial call, we will notate the who, what, when, where, and how much
- Obtain contact information
- Assess the situation to determine if it is within the SBOA's jurisdiction
- Talk to the “logical” people
- Perform an initial review of documents
- Determine the priority in relation to other engagements
- When appropriate, conduct focused audit/investigation

What to expect from Special Investigations

Audit/Investigation Phase

- After the initial call and assessment phase, the Director of Special Investigations would determine if an investigation is appropriate
- Basic steps during the investigation
 - Collect pertinent data
 - Review and analyze the data to identify the facts of the situation
 - This may involve on-site and off-site work
 - Identify the activity
 - Determine accountability
 - Determine intent
 - Report the results
- Coordinate with appropriate law enforcement or Prosecutor

What to expect from Special Investigations

Coordination with Law Enforcement/Prosecutor

- When appropriate, coordinate with law enforcement (generally ISP and FBI)
- We may also work with local law enforcement, IRS, IDOR, etc.
- Coordinate on who is doing what work
 - SBOA may do the accounting work and review of financial records
 - Law enforcement may do interviews and contact with Prosecutor regarding criminal charges
 - Issuance of subpoenas when necessary
- Determine the necessary documentation required to support criminal case
- Coordinate with the State Attorney General for collection of civil amounts
- Report results in a manner consistent with state law and to appropriately address any criminal and civil violations

What to expect from Special Investigations

Reporting/Prevention/Outreach

- How is this accomplished:
 - Reporting
 - Special Investigation Report
 - Special Compliance Report
 - Internal Control Management Letter
 - Potential solutions for compliance related items
 - Recommendations for strengthening internal controls
 - Discussions during the audit/investigation
 - Manuals, School Bulletins, SBOA website (www.in.gov/sboa/), Associations

Prevention Equals Good Internal Controls

- Ensure no one person has control over all parts of a transaction.
- Restrict use of agency credit cards and verify all charges made
- Protect checks against fraudulent use.
- Protect cash and check collections.

Issues To Look Out For

- Skimming schemes
- Use of position to waive fees/not charge/not collect for services
- Use of unit's credit card to pay for personal purchases
- Fraudulent reimbursement schemes
- Overpayment of Salary
- Kickbacks/Bribery/Pay to Play
- Changes in behavior of employees

What to do if you suspect criminal activity

- IC 5-11-1-27: Requires all local units to report material losses, thefts, or shortages directly to SBOA (Also be aware of the various State Examiner Directives)
- Contact SBOA as soon as possible
 - SBOA Director for your unit (Schools are Ryan Preston and Chase Lenon)
 - SBOA website (www.in.gov/sboa/)
 - Mark Mahon, Tammy Baker or Dean Gerlach
 - Regular SBOA audit team if they are on-site
- Often officials will also contact ISP, local law enforcement, Prosecutor and/or FBI.

CONSIDERATIONS

- The matter will take time to resolve
- Emotions can run high
- Investigations are conducted with the highest level of professionalism
- Mismanagement, sloppiness, political differences and ethical lapses are not criminal

Mark Mahon
Director Of Special Investigations
Indiana State Board of Accounts
317-234-9573
MMAHON@SBOA.IN.GOV

Tammy Baker
Special Investigations Coordinator
Indiana State Board of Accounts
317-273-9354
TBAKER@SBOA.IN.GOV

Dean Gerlach
Special Investigations Coordinator
Indiana State Board of Accounts
317-677-2084
DGERLACH@SBOAFE.IN.GOV

Annette Ladson, CFE
Special Investigator
Indiana State Board of Accounts
812-699-0458
ALADSON@SBOAFE.IN.GOV