

State Board of Accounts Special Investigations



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
- Sandy Gerlach

Southern District:

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



Requirement to Report

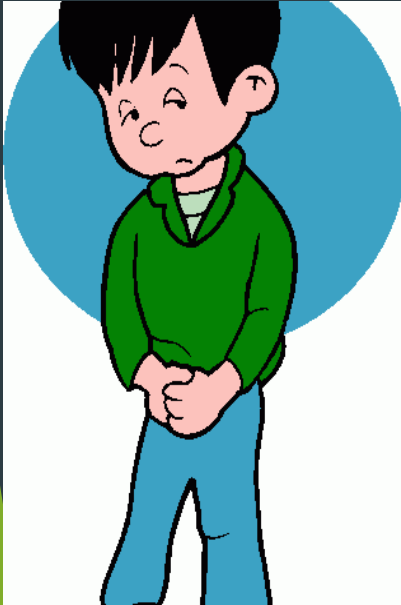
- ▶ Indiana Code 5-11-1-27 states,
- ▶ A public officer who has actual knowledge of or reasonable cause to believe that there has been a misappropriation of public funds or assets of the public office, including:
 - ▶ (1) information obtained as a result of a police report;
 - ▶ (2) an internal audit finding; or
 - ▶ (3) another source indicating that a misappropriation has occurred;
 shall immediately send written notice of the misappropriation to the state board of accounts and the prosecuting attorney serving in the area governed by the political subdivision."

Theft in Government at the Local Level Does Happen

1. County Auditor caught using the County Credit card for personal items totaling over \$ 129,000.00
2. Cash collection from a Utility not deposited totaling over \$ 150,000
3. School Treasurer caught using the School Credit card for over \$ 275,000 of personal expenses
4. School Maintenance Director caught taking kickbacks from a vendor. Kickbacks identified totaled over \$ 115,000. Excess costs incurred by the school as a result of the Kickbacks totaled over \$ 825,000.
5. Township Trustee CFO stole over \$ 340,000 using dummy checking accounts.
6. While these are all high profile cases, we process a large number of special investigations related to thefts in the \$ 1000 to \$ 10,000 range each year.



WHY IS THIS DIFFICULT FOR AN
OFFICIAL TO REPORT SUSPECTED
FRAUD??



1. Bad Public Relations for the Official and their office.
2. Do not feel the evidence is strong enough
3. Tattletail syndrome
4. Do not want to hurt a persons reputation without just cause
5. Amount taken is not large enough

Reasons a Good Person May Resort to Theft

1. Expenses related to an Accident or Illness involving a Family Member
2. Spouse's loss of job
3. College Debt for themselves or their kids
4. Passed up for a raise they truly deserved
5. Belief that the theft was actually a loan and person intended to pay back the amount taken



Darker Reasons often Unknown to Fellow Workers

1. Drugs
2. Gambling Debts or Other Uncontrollable Habits
3. Blackmail
4. Greed
5. Irrational desire to provide everything possible for Grandchildren or Family



Reasons to Feel Comfortable Contacting SBOA

1. We do not jump to conclusions based on rumor, innuendo or newspaper or social media comments
2. We do not share our investigation with the press, other officials or other outlets until the completion of our investigation.
3. We work with law enforcement agencies to conduct the most efficient investigation possible.
4. We are an independent outside agency and come into an investigation with no bias or agenda.

What to do if you suspect criminal activity

Contact SBOA as soon as possible

SBOA Director for your unit (Counties are Lori Rogers and Stephanie Heath)

SBOA website (www.in.gov/sboa/)

Mark Mahon, 317-232-2513

Tammy Baker 317-273-9354

Dean Gerlach, 317-677-2284

Regular SBOA audit team if they are on-site

Emotional Roller Coaster

▶ Disbelief



▶ Betrayal



▶ Anger



▶ Embarrassment

▶ Relief



▶ Mistrust



Top Ten Reasons to Keep SBOA Investigations Division Informed

10. You will get to meet some very interesting and good looking SBOA investigators
9. Mug shots are never very good and those are always the ones the press puts in the paper and on TV
8. You will Sleep Better
7. The earlier a problem is identified the easier it is to correct.
6. To set an example for your staff and show your commitment to excellence



Top Ten Reasons to Keep SBOA Investigations Division Informed

5. It is much better for a problem to be self reported than found during an audit or based on information received from the public.
4. To promote Public Transparency
3. To hold wrong doers responsible for their actions
2. Maintain the Public's confidence in the Services we each provide daily
1. You really just don't want to see Paul Joyce, the State Examiner, mad (It's pretty Scary)

