



INSPECTOR GENERAL REPORT

2008-02-0049

December 10, 2009

CONTRACTOR THEFT

Inspector General David O. Thomas, after an investigation by Special Agent and Director of Investigations Darrell Boehmer, reports as follows:

This case involved the acts of a Customer Service Representative employed by contractor ACS Inc. through Alpha Rae Employment Services. ACS Inc. contracted with the Child Support Bureau of the Indiana Department of Child Services (DCS) to operate the Indiana State Central Collection Unit (INSCCU) customer service.

The INSCCU administers the receipt and payment of child support checks. It is located in Marion County, Indiana.

The Defendant was an employee of the contractor ACS Inc. She was employed there starting on October 3, 2007 until her employment was terminated on February 22, 2008 for unrelated issues. One of her duties as a Customer Service Representative was to make direct deposit computer entries into customer accounts.

Child Support payments are made by INSCCU through a commercial banking direct deposit system known as the Automated Clearing House (ACH) system.

I

The Office of the Inspector General (OIG) is a law enforcement agency charged to investigate wrongdoing within the Executive Branch of Indiana Government, including the conduct of contractors providing service to state agencies. IC 4-2-7-3.

II

This case was reported to the Office of the Inspector General (OIG) by DCS. An INSCCU Customer Service Manager (DCS Employee) was reviewing ACH records on February 26, 2008 when the DCS Employee noticed a large number of rejected direct deposit transactions. When the DCS Employee reviewed those transactions, she discovered that the Defendant, acting as a Customer Service Representative, had entered direct deposit information on eight (8) customer accounts. The DCS Employee discovered that one of the two direct deposit bank accounts entered into customer accounts was the same JP Morgan Chase bank account used by the Defendant for her personal payroll direct deposit.

This DCS Employee provided documentation of this suspicious activity to Special Agent Boehmer.

The Defendant's method of obtaining account information was to check an unclaimed property list which was available online. The Defendant would then attempt to input her own account information into the INSCCU accounts she found on the unclaimed property list so that the unclaimed funds would be transferred to her own personal account. The Defendant was able to accomplish

this on multiple occasions.

Special Agent Boehmer contacted the Defendant for an interview to further the investigation and to provide the Defendant an opportunity to explain her actions. At that interview, the Defendant admitted to entering her personal bank account information into the inactive accounts. She also admitted to receiving funds as a result of her actions and that she did this to exert unauthorized control over the property of others, this being the definition of the criminal offense of theft in Indiana.

The investigation was then submitted to the Marion County Prosecuting Attorney's Office, and criminal charges of theft and official misconduct, all class D felonies, were filed. Accordingly, this investigation is closed.

Dated this 10th day of December, 2009.



David O. Thomas, Inspector General