

INVESTIGATIVE REPORT

Cynthia V. Carrasco, Inspector General

OFFICE: FAMILY AND SOCIAL SERVICES ADMINISTRATION
TITLE: ALLEGATION OF WRONGDOING- SUSPECT ONE
CASE ID: 2013-10-0207B
DATE: APRIL 7, 2015

Inspector General Staff Attorney Kristi Shute, after an investigation by Special Agent Alan McElroy, reports as follows:

On October 21, 2013, the Office of the Inspector General received information from the Indiana Family and Social Services Administration ("FSSA") stating that a Xerox Corporation ("Xerox") employee ("Employee") was suspected of committing acts of fraud and theft. Specifically, it was alleged that the Employee fraudulently submitted documents to obtain benefits she was not entitled to receive.

During the investigation, Special Agent McElroy learned that the Employee was an Eligibility Specialist at FSSA's Division of Family Resources ("DFR"). The DFR is responsible for establishing eligibility for Medicaid, Supplemental Nutrition Assistance Program ("SNAP"), and Temporary Assistance for Needy Families ("TANF") benefits. Xerox is a contract vendor that, among other things, manages SNAP. As an Eligibility Specialist, the Employee was responsible for processing client applications for SNAP, TANF and Medicaid benefits. She ensured that an applicant provided all the necessary documentation to verify income and expenditures as well as documentation regarding individuals residing in the applicant's household. Applicants are required to sign certification documents affirming, under the penalty of perjury, that all of the documentation supplied to the DFR is correct

and complete. Through her position as an Eligibility Specialist, the Employee was knowledgeable in FSSA's policies and procedures.

In addition to being an Eligibility Specialist, the Employee was also receiving SNAP benefits, Child Care Development Fund ("CCDF") benefits and replacement SNAP benefits. Based on information obtained through witnesses, records and documents, Special Agent McElroy determined that the Employee submitted forged and fraudulent documents to obtain SNAP and CCDF benefits she was not entitled to receive. Generally, the Employee under-reported her income and over-reported her expenses.

While conducting the investigation into the Employee's alleged criminal activity, Special Agent McElroy identified three other possible suspects engaged in similar fraudulent activity. One suspect ("Suspect") was the Employee's friend. Like the Employee, the Suspect was also receiving SNAP benefits. Based on information obtained through witnesses, records and documents, Special Agent McElroy determined that the Suspect submitted forged and fraudulent documents to the DFR to obtain SNAP benefits she was not entitled to receive. Like the Employee, the Suspect under-reported her income.

This scheme began when the Suspect submitted to the DFR two voided checks. These checks noted that the payroll check was deposited directly into the Suspect's bank account. The voided checks were submitted by the Suspect as verification of income to be used for her SNAP benefits calculations. As a result of under-reporting her income, the Suspect received increased SNAP benefits. In all, the Suspect submitted various forged and fraudulent checks.

In addition, the Suspect signed a fictitious letter for the Employee which the Employee used in her own SNAP case to over-report her shelter expenses. The letter purported to be from the Employee's landlord. When the Suspect was interviewed by Special Agent McElroy she

admitted signing the document, but claimed that she did not read it and did not know that she was doing anything improper. The Suspect also admitted, however, that the Employee told her to use her married name in the letter so she would not be identified as a property owner and lose the SNAP benefits issued to her under her legal name.

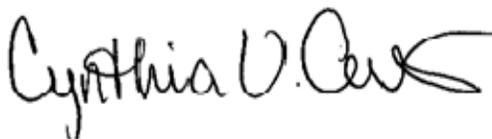
Finally, the Suspect also submitted and signed four documents under the penalty of perjury in her SNAP benefits case after submitting false and fictitious paystubs.

These actions resulted in the Suspect receiving Twenty Thousand One Hundred Sixty Dollars (\$20,160.00) in SNAP benefits she was not entitled to receive between September 2011 and July 2014.

The results of this investigation were submitted to the Marion County Prosecutor's Office. The Suspect was charged with one count of Corrupt Business Influence, one count of Welfare Fraud, one count of Theft, four counts of Forgery and four counts of Perjury. Accordingly, this investigation is closed.

Dated this 7th day of April, 2015.

APPROVED BY:

A handwritten signature in black ink that reads "Cynthia V. Carrasco" followed by a stylized flourish.

Cynthia V. Carrasco, Inspector General