



INSPECTOR GENERAL REPORT

2014-04-0075

November 3, 2014

IACCRR CONTRACTOR FRAUD III

Inspector General Staff Attorney Jennifer Cooper, after an investigation by Special Agent Darrell D. Boehmer, reports as follows:

In April of 2014, the Office of the Inspector General (“OIG”) received information, through a follow up to a prior investigation (Case Number 2013-05-0094) involving the former Executive Director (“Respondent”) of the Indiana Association for Child Care Resource and Referral (“IACCRR”), an Indiana Family and Social Services Administration (“FSSA”) contractor, alleging that Respondent had made further expenditures on behalf of IACCRR that were unrelated to IACCRR business.

IACCRR’s current Executive Director contacted Special Agent Boehmer on April 11, 2014 to report that IACCRR had been billed for payments on a Business Line of Credit (“Line of Credit”). The Director advised that no one at IACCRR had any knowledge of this Line of Credit being applied for or being issued to IACCRR. The Director further advised she was involved in the reconciliation of IACCRR’s finances after Respondent was terminated and that the Line of Credit was not discovered during reconciliation nor was it included in

any prior audits.

Special Agent Boehmer reviewed IACCRR's audit reports and financial records and confirmed that there were no entries referencing the Line of Credit as funds provided to IACCRR or used for IACCRR business expenditures. Special Agent Boehmer subpoenaed financial records from the bank that issued the Line of Credit to IACCRR. These records revealed that the Line of Credit, consisting of a total credit limit of Thirty-Five Thousand Dollars and 00/100 (\$35000.00), was issued to IACCRR on October 21, 2003 and authorized by Respondent, IACCRR's former Executive Director from August 18, 1997 until her termination on April 30, 2013. The account transaction records indicated that the billing address on the Line of Credit was changed from IACCRR's business offices to Respondent's home address in March of 2013, shortly prior to her termination.

Upon further review of the Line of Credit statements provided by the issuing bank, Special Agent Boehmer discovered the balance due on the account as of April 14, 2014 was Thirty-Five Thousand One Hundred Eighty-Eight Dollars and 47/100 (\$35,188.47) mostly due to cash withdrawals and money transfer purchases made by Respondent between January 30, 2013 through October 8, 2013, at which time the credit limit was reached on the account.

Account statements from January 30, 2013 through April 14, 2014 listed five (5) cash withdrawals totaling Nine Thousand Dollars and 00/100 (\$9000.00), fifty-five (55) money transfer purchases made by Respondent totaling Nineteen Thousand Nine Hundred Eight-Nine Dollars and 00/100 (\$19,989.00), and four

(4) additional purchases totaling Seven Hundred Thirty-Nine Dollars and 00/100 (\$739.00).

On July 8, 2014 Special Agent Boehmer interviewed IACCRR's Director regarding the Line of Credit statements. The Director advised that, after reviewing the Line of Credit statements provided to her by Special Agent Boehmer, none of the expenditures listed on the statements were related to IACCRR business. According to the Director, IACCRR had no reason to use money transfers or cash withdrawals to pay vendors or for other legitimate business expenses.

This case was presented to the Marion County Prosecutor's Office and criminal charges were filed against Respondent on July 17, 2014. Respondent was charged with one (1) count of Theft, a Class D Felony. Accordingly, this investigation is closed.

APPROVED BY:

/s/ David O. Thomas, Inspector General