



INVESTIGATIVE REPORT

Lori Torres, Inspector General

OFFICE: INDIANA FAMILY AND SOCIAL SERVICES ADMINISTRATION (FSSA)
TITLE: FSSA EVANSVILLE STATE HOSPITAL THEFT SUPPLEMENTAL REPORT
CASE ID: 2018-08-0238
DATE: May 28, 2019

Inspector General Staff Attorney, Heidi Adair, after an investigation by Inspector General Director of Investigations, Darrell Boehmer, reports as follows:

This report is intended to supplement the Office of Inspector General's (OIG) [Investigative Report for Case No. 2018-08-0238](#). The original report provided an overview of the OIG's investigation and findings regarding the actions of a former Indiana Family and Social Services Administration (FSSA) employee, Jennifer Byam.

In 2018, the State Board of Accounts (SBoA) performed an audit of the Evansville State Hospital (ESH), one of the state psychiatric hospitals under FSSA's Division of Mental Health and Addiction. The SBoA notified the OIG after the audit revealed a series of suspect transactions and discrepancies in ESH's financial accounts.

The OIG opened an investigation into this matter. The audit and investigation revealed that Byam, as ESH's Business Administrator, was responsible for controlling and maintaining these ESH accounts and that she performed the account reconciliations.

OIG Director of Investigations Darrell Boehmer and SBoA investigators interviewed Byam and inquired about accounting discrepancies found from July 1, 2017 through June 30, 2018. Byam admitted that the discrepancies were the result of checks she cashed for herself from ESH's patient trust fund, as well as transfers that she made from the patient trust fund into ESH's employee recognition committee fund. She said she then wrote checks for cash from the employee

recognition committee fund, which she cashed for personal use. Byam admitted to producing false reconciliation items to cover the money she collected and that she altered the patient trust control ledger and individual patient ledgers to give the appearance that the ledgers accurately corresponded with the bank reconciliation.

In total, this investigation revealed that between July 5, 2017 and August 31, 2018, Byam performed more than twenty fraudulent transactions, totaling \$14,357.29. FSSA officially terminated Byam's employment with ESH on October 4, 2018.

The OIG submitted the results of this investigation to the Vanderburgh County Prosecutor's Office, who originally charged the case. The Vanderburgh County Prosecutor appointed Inspector General Lori Torres as a special deputy prosecuting attorney in this case. Inspector General Torres amended the charges to include eleven counts of Theft as a Level 6 Felony, nineteen counts of Theft as a Class A Misdemeanor and one count of Official Misconduct by a Public Servant as a Level 6 Felony.

On May 20, 2019, Byam pled guilty to two counts of Theft, both as Level 6 Felonies and one count of Official Misconduct by a Public Servant as a Class A Misdemeanor. Byam was sentenced to two years of probation with the condition that she pay restitution in the sum of \$14,357.29 to the OIG for the benefit of ESH. This case remains closed with this Supplemental Report on file.

Dated: May 28, 2019

APPROVED BY:

A handwritten signature in black ink that reads "Lori Torres". The signature is written in a cursive, flowing style.

Lori Torres, Inspector General