



# INVESTIGATIVE REPORT

Lori Torres, Inspector General

OFFICE: INDIANA DEPARTMENT OF CORRECTION (DOC)  
TITLE: DOC EMPLOYEE THEFT  
CASE ID: 2019-09-0225  
DATE: August 7, 2020

*Indiana Office of Inspector General Staff Attorney Lyubov Gore, after an investigation by Inspector General Special Agent Jack Bedan, reports as follows:*

The Indiana General Assembly charged the Office of the Indiana Inspector General (OIG) with addressing fraud, waste, abuse and wrongdoing in the executive branch agencies of state government. Ind. Code §4-2-7-2(b). The OIG also investigates allegations of criminal activity and Code of Ethics (Code) violations within state government. Ind. Code §4-2-7-3. The OIG may recommend policies and carry out other activities designed to deter, detect and eradicate fraud, waste, abuse, mismanagement and misconduct in state government. Ind. Code §4-2-7-3(2).

On September 4, 2019, the OIG received a complaint alleging that a former DOC Correctional Officer, Waylon Layne, engaged in ghost employment while he was working at the Putnamville Correctional Facility (PCF). According to the complaint, Layne submitted overtime slips for times that he did not work from March 2019 to August 2019, and Layne received state pay for this falsely reported overtime. DOC conducted a preliminary investigation. Following the DOC investigation, DOC terminated Layne on August 30, 2019. The complaint implicated the Code's rule on ghost employment and alleged criminal violations of theft, ghost employment and official misconduct.

OIG Special Agent Jack Bedan investigated the matter. Special Agent Bedan reviewed documentation related to Layne's employment and photographic stills from the security videos.

Special Agent Bedan also interviewed several witnesses, including Layne's former DOC supervisors, former DOC coworkers and Layne.

Special Agent Bedan obtained and reviewed Layne's overtime slips, attendance records, payroll records and itemized paychecks for the time period of March 16, 2019, through August 22, 2019. Special Agent Bedan also reviewed photographic stills from security videos showing Layne's arrival times at PCF. This documentation revealed that Layne submitted 38 false overtime slips, totaling 165 hours that Layne did not work as he had claimed. Special Agent Bedan calculated that Layne earned approximately \$3,993.00 in overtime pay for hours that he did not work from March 2019 to August 2019.

Special Agent Bedan interviewed the DOC employee who discovered that Layne was submitting false overtime slips and the DOC Investigator who conducted the initial independent investigation. Special Agent Bedan learned that Layne was able to falsify his overtime reporting without detection for an extended period of time because he handed his overtime slips for approval to supervisors who did not supervise his overtime shifts. The DOC employees notified Special Agent Bedan that they were not aware of any other PCF employees who were engaged in this conduct. Special Agent Bedan also learned that, since DOC terminated Layne, PCF altered the procedures for verifying overtime slips to ensure that this conduct could not recur. The altered procedures include a requirement that each overtime slip be verified by each supervisor that is on duty during the overtime shift to which the overtime slip pertains.

Special Agent Bedan also interviewed Layne. During the interview, Layne showed remorse, admitted that he had made a "bad decision" and stated that he had missed work due to family obligations. According to Layne, he had never been "in trouble" before and had been in considerable debt at the time he was employed at PCF. Layne admitted that it was his signature on

the overtime slips and claimed that submitting false overtime slips was a widespread practice at PCF. Layne named several PCF employees that he believed were engaged in similar overtime falsification.

After interviewing Layne, Special Agent Bedan conducted interviews with several of the PCF employees that Layne named. Special Agent Bedan also conducted follow-up interviews with a PCF supervisor and DOC investigator regarding Layne's additional allegations of a widespread overtime fraud scheme. Special Agent Bedan found no evidence that any of the PCF employees who Layne named were involved in an overtime fraud scheme and found no evidence that such a scheme existed. Special Agent Bedan also learned that it would be very difficult to find evidence of such a scheme because the surveillance videos from the time period that Layne was employed with PCF no longer existed.

Special Agent Bedan attempted to interview Layne again, but Layne refused. Based on the documentation Special Agent Bedan reviewed and the interviews he conducted, Special Agent Bedan concluded that Layne had submitted overtime slips and received state pay for hours that he did not work at PCF for the time period of March 16, 2019, through August 22, 2019.

The OIG submitted the results of this investigation to the Putnam County Prosecutor's Office. On August 5, 2020, the Putnam County Prosecutor's Office charged Layne with Official Misconduct, as a Level 6 felony under Ind. Code § 35-44.1-1-1(1), and with Theft, as a Level 6 felony under Ind. Code § 35-43-4-2(a)(1)(A). Accordingly, this investigation is closed.

Dated: August 7, 2020

APPROVED BY:



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Lori Torres, Inspector General