



INSPECTOR GENERAL REPORT

2006-08-0247

September 30, 2008

LARUE CARTER BIDDING FORGERY

Inspector General David O. Thomas and Staff Attorney Amanda Schaeffer, after an investigation by Special Agent Dave Clark, report as follows:

The Office of the Inspector General received information from the Internal Affairs Division of the Family and Social Services Administration (FSSA) indicating that improper bidding practices were taking place at Larue Carter Hospital. An initial investigation by FSSA revealed discrepancies in bidding quotes procured by employee Ronald Marks. Further research uncovered what appeared to be forged bid proposals and false entries made by Marks on 'Record of Telephone Price Quotation' forms.

Marks' duties included soliciting bids for projects that needed to be completed at Larue Carter hospital. Marks procured bids in two ways: he called contractors to solicit a quote, which he recorded on the 'Record of Telephone Price Quotation' form, and he received written quotes from contractors which were usually faxed or mailed in. Investigation revealed that work was repeatedly awarded by Marks to Underwood Tile and Carpet Company. Further investigation revealed that Underwood Tile and Carpet Co. faxed in false quotes from

competitors in order to make their bid the lowest, winning bid. Investigators learned that Marks was aware of this activity by the Underwood's and consistently awarded them contracts.

Two companies, Illiana Tile and Wilkerson Floor Covering, were shown as repeatedly submitting bids to Marks that were higher than the bid submitted by Underwood Tile and Carpet. Interviews with individuals from these companies revealed that they had never actually submitted the bids, and that the bids were forged.

Criminal charges against Marks for official misconduct and various other charges were submitted to the Marion County Prosecutor's Office on June 8, 2007. Criminal charges were filed and Marks plead guilty to official misconduct in August of 2008.

Dated this 30th day of September, 2008.



David O. Thomas, Inspector General