



A Special Investigations Unit Report on
The Office of Public Insurance Counsel

John Keel, CPA

July 12, 2011

Members of the Legislative Audit Committee:

An investigation by the State Auditor's Office's Special Investigations Unit into allegations of misconduct by a former employee of the Office of Public Insurance Counsel (OPIC) led to the Public Integrity Unit of the Travis County District Attorney's Office obtaining an indictment for Juan Hernandez on June 14, 2011. The Special Investigations Unit received allegations from OPIC on August 31, 2009, that Mr. Hernandez, acting in his capacity as a public servant, had tampered with governmental records and misappropriated state funds he was not entitled to receive.

The three-count indictment of Mr. Hernandez charges him with the following offenses:

- Count I - Theft by a Public Servant, with an aggregated amount of \$1,500 or more but less than \$20,000. This is a third degree felony.
- Count II - Tampering with Governmental Record. This is a state jail felony.
- Count III - Theft by a Public Servant, with an aggregated amount of \$1,500 or more but less than \$20,000. This is a third degree felony.

If you have any questions, please contact Harold Burns, Senior Investigator, at (512) 936-9782 or me at (512) 936-9500.

Sincerely,

John Keel, CPA
State Auditor

cc: The Honorable Rick Perry, Governor of Texas
Ms. Deeia Beck, Public Counsel, Office of Public Insurance Counsel
The Honorable Rosemary Lehmborg, Travis County District Attorney
Mr. Gregg Cox, Director, Special Prosecution Division, Travis County District Attorney's Office

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