

FOR IMMEDIATE RELEASE

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COMMUNITY BLOOD CENTER UNCOVERS MISAPPROPRIATION OF FUNDS BY FORMER EMPLOYEE

APPLETON WI, June 1, 1:00 p.m. – Through an internal investigation, the Community Blood Center recently uncovered numerous misappropriations of funds by a former employee. After a third-party audit substantiated these findings, the Community Blood Center immediately turned the matter over to local authorities.

Tina Jacobsen is a former employee of the Community Blood Center, who worked in the Finance Department from August 28, 2000 until April 11, 2011. Following her separation from the blood center, the transfer of responsibilities led to a discovery of transaction discrepancies. The blood center promptly engaged the forensic auditing services of Baker Tilly to thoroughly investigate the nature of the suspect transactions.

The investigation uncovered a large number of misappropriations. These occurred over the course of five years and are directly traceable to the former employee. No other employees are involved or have been implicated.

The forensic audit commissioned by the Blood Center identified \$171,000 of diverted funds. Related data, records and analysis from this investigation were submitted to Grand Chute authorities on May 4, 2011. Continuing the investigation on its own, the Community Blood Center found an additional \$301,000 of diverted funds, which was then provided to the authorities. Together, the findings represent approximately \$470,000 in misappropriated monies.

The Community Blood Center's mission of providing critical blood supplies to area hospitals has not been affected by these events. Business insurance coverage will cover most of the known losses. There has been no impact on organizational activities which include the operation of four donor centers, daily blood drives, and delivery of blood to 18 hospitals in Wisconsin and Upper Michigan.

"We have provided detailed materials to local authorities, and will continue to support their efforts," said Rick Hart, President-CEO. "Importantly, the crucial mission of the Community Blood Center is not affected by these events. We are grateful for the continued support of the community, and the volunteer blood donors who ensure that patients in our community hospitals get the blood they need."

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