

OFFICE OF THE
OHIO INSPECTOR GENERAL

2017 ANNUAL
REPORT

RANDALL J. MEYER,
INSPECTOR GENERAL



Inspector General Randall J. Meyer

Randall J. Meyer was appointed as Ohio Inspector General in January 2011, and reappointed in 2015, by the governor of Ohio and confirmed by the Ohio Senate. While serving as the inspector general, Meyer has released 570 reports of investigation resulting in over 60 criminal charges, issued more than 800 recommendations to agencies, and identified over \$1/4 billion lost.

Prior to becoming Inspector General, Meyer dedicated his career to public service for more than 25 years. After completing four years of honorable military service in the United States Navy, Meyer began work as a police officer in 1990, serving as a deputy in the San Francisco Bay area. In 1992, Meyer moved to Ohio, working first as a police officer, and then as a detective for the City of Wilmington Police Department. In 1999, Meyer was recruited to serve as a criminal investigator for the Ohio Attorney General, and was eventually promoted as director of the Ohio Attorney General's Anti-Gang Unit. During this time, Meyer developed and established G.U.A.R.D., a statewide security threat group database which singularly integrated the various data collection systems used by different investigative entities. In 2003, Meyer joined the Ohio Auditor of State's Public Corruption Unit as a lead investigator and, in 2007, was promoted to chief of Special Investigations, managing the unit's responsibility of identifying misappropriated or illegally expended public funds, and instituting a statewide fraud prevention training program.

Meyer holds a bachelor's degree in Public Safety Management from Franklin University, and is a certified inspector general for the Association of Inspectors General. Meyer is also a certified fraud examiner for the Association of Certified Fraud Examiners, and a certified instructor for both the National White Collar Crime Association and the Ohio Peace Officer Training Academy. Meyer has served as a member of the Franklin University Criminal Justice Advisory Board since 2009, and the board of directors of the National White Collar Crime Association since 2008. In 2013, Meyer was elected to the board of directors of the Association of Inspectors General, and for two years served on the executive committee.

Message from the Inspector General



RANDALL J. MEYER
INSPECTOR GENERAL

I am pleased to present the Office of the Ohio Inspector General's 2017 Annual Report. This report is submitted to the governor and members of the 132nd Ohio General Assembly to meet the requirements set forth in Ohio Revised Code §121.48, and to provide insight into the duties of this office and its essential role in upholding integrity in state government. The following pages outline the mission and responsibilities of the Inspector General's Office; examine the office's complaint and investigative processes and related statistics; and cite summaries of several investigations released from January 1, 2017, through December 31, 2017. During this year, 48 cases were closed and released, and more than 360 complaints were received and assessed; of which, 46 new cases were opened.

In 2017, Section 121.49 of the Ohio Revised Code was amended instituting a change to the appointment term of the Ohio inspector general which previously ran concurrent with a gubernatorial election year. Based on model legislation recommended by the national Association of Inspectors General, the changes enacted maximize partisan independence. Thus, after January 11, 2021, the appointment of the Ohio inspector general will occur every four years by the sitting governor.

As the inspector general, I am committed to investigating allegations of wrongful acts or omissions without bias or outside influence in a timely, thorough, and impartial manner. The Inspector General's Office remains dedicated to the principle that no public servant, regardless of rank or position, is above the law, and the strength of our government is built on the solid character of the individuals who uphold the public trust.

Respectfully submitted,

A handwritten signature in black ink that reads "Randall J. Meyer". The signature is written in a cursive, flowing style.

Randall J. Meyer

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Mission and Responsibilities

Safeguarding Integrity in State Government

The Office of the Ohio Inspector General was established in 1988 by an Executive Order of the Governor. Through this executive order, the inspector general was charged with the authority to “... examine, investigate, and make recommendations with respect to the prevention and detection of wrongful acts and omissions in the Governor’s Office and the agencies of state government... .” In 1990, the legislature passed Amended Substitute House Bill 588, which permanently established the position and the Office of the Ohio Inspector General.



The jurisdiction of the Inspector General’s Office is limited to the executive branch of state government. The inspector general is authorized by law to investigate alleged wrongful acts or omissions committed by state officers or employees. It extends to the governor, the governor’s cabinet and staff, state agencies (as defined in Ohio Revised Code (ORC) §1.60), departments, and boards and commissions. The inspector general’s jurisdiction includes state universities and state medical colleges, but does not include community colleges. The courts, the General Assembly, and the offices of the Secretary of State, the Auditor of State, the Treasurer of State, and the Attorney General, and their respective state officers or employees are statutorily excluded from the jurisdiction of the Inspector General’s Office. Likewise, the office has no authority to investigate allegations concerning any federal, county, municipal or other local officials, agencies, or governing bodies.

The inspector general’s authority extends to:

- Receiving complaints alleging wrongful acts and omissions and determining whether there is reasonable cause to believe the alleged wrongful act or omission has been committed or is being committed by a state officer or employee; or any person who does business with the state.
- Investigating the management and operation of state agencies on the inspector general’s initiative to determine whether wrongful acts and omissions have been committed or are being committed by state officers and employees.

Those individuals who contract with state agencies or who otherwise do business with the state may also fall under the purview of this office. The Inspector General’s Office does not become involved in private disputes, labor/management issues, or litigation. The office does not review or override the decisions of a court or the findings of any administrative body. In order to begin an investigation, allegations of wrongdoing must specifically relate to wrongful acts or omissions committed by state officials or state agencies.

Similarly, the Inspector General’s Office is not an advocate for either the state agency or the complainant in any particular case. The office’s obligation is to ensure that the investigative process is conducted fully, fairly, and impartially. As independent fact finders, wrongdoing may or may not be found as the result of an investigation.

Conducting an Investigation

Complaint Process and Reports of Investigation

Anyone may file a complaint with the Inspector General's Office. At times, complaints are forwarded by other agencies or officials. Complaint forms can be downloaded from the inspector general's website or are provided upon request. Complaints can be made anonymously; however, it may be difficult to verify the information provided or ask additional questions.

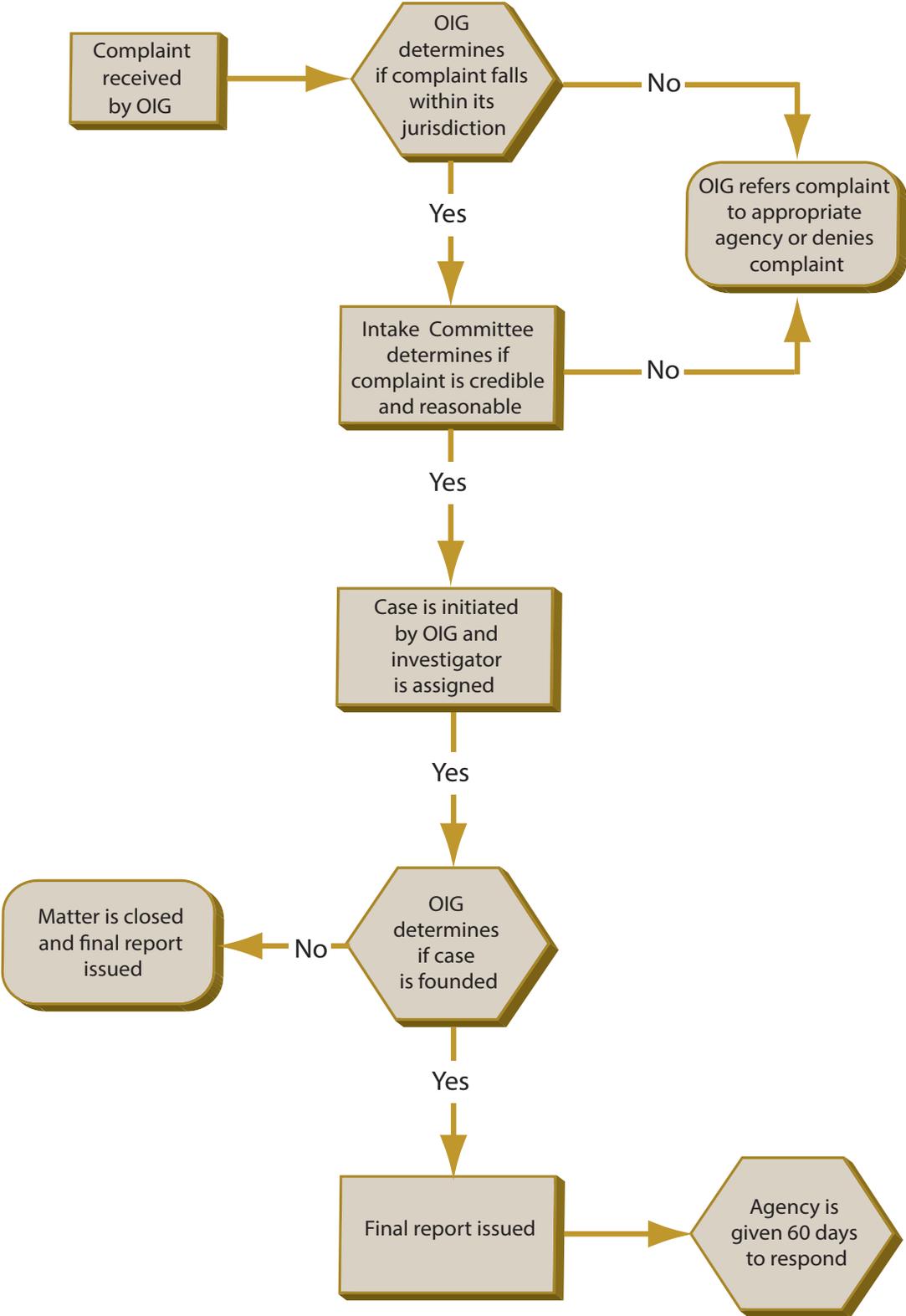
The inspector general may grant complainants or witnesses confidentiality. When appropriate, information received from complainants and witnesses may also be deemed "confidential." Confidentiality is appropriate when it is necessary to protect a witness. It is also appropriate in cases where the information and documentation provided during the course of an investigation would, if disclosed, compromise the integrity of the investigation or when considered confidential by operation of law.

The Inspector General's Office does not offer legal advice or opinions to complainants. In instances where it appears that a complainant is seeking legal assistance, or where it appears that another agency is better suited to address a complainant's issues, the office will advise the complainant to consult with private legal counsel or a more appropriate agency, organization, or resource.

Complaints received are reviewed by the intake committee. This committee consists of the inspector general, chief legal counsel, and case manager. A complaint offering credible allegations of wrongful acts or omissions that fall within the inspector general's jurisdiction is assigned to a deputy inspector general for investigation. Opened and ongoing investigations are generally not subject to public disclosure in order to safeguard the integrity of the investigative process. In instances where a complaint is unsubstantiated, or another agency is better suited to address a complainant's issues, the office will make every effort to direct him or her to a more appropriate agency, organization, or resource.

At the conclusion of an investigation by the Inspector General's Office, a report of investigation is completed and provided to the governor and the agency subject to investigation. The report may include recommendations for the agency to consider in addressing and avoiding the recurrence of fraud, waste, abuse, or corruption uncovered by the investigation. For each report where the inspector general concludes there is reasonable cause to believe wrongful acts or omissions have occurred, the agency subject to the investigation is asked to respond back to the Ohio inspector general within 60 days of the issuance of the report, detailing how the report's recommendations will be implemented. Although there is no enforcement mechanism to ensure items are addressed, the inspector general exercises his due diligence and follows up with the agency. When appropriate, a report of investigation may also be forwarded to a prosecuting authority for review to determine whether the underlying facts give rise to a criminal prosecution. Selected issued reports of investigation are posted on the Ohio inspector general's website and all issued reports of investigation are available to the public upon request, unless otherwise noted by law.

Filing a Complaint



Types of Allegations

Complaints submitted to the Inspector General's Office may include a wide range of alleged wrongdoing and may include allegations of more than one type of misconduct committed by an entity or individual. As investigations proceed, new allegations of wrongdoing may come to light and other individuals or entities may become part of the investigation. Five types of wrongdoing that fall under the inspector general's jurisdiction are:



1 Fraud

An act, intentional or reckless, designed to mislead or deceive.

Examples:

- Fraudulent travel reimbursement
- Falsifying financial records to cover up a theft
- Intentionally misrepresenting the cost of goods or services
- Falsifying payroll information or other government records

2 Waste

A reckless or grossly negligent act that causes state funds to be spent in a manner that was not authorized or which represents significant inefficiency and needless expense.

Examples:

- Purchase of unneeded supplies or equipment
- Purchase of goods at inflated prices
- Failure to reuse major resources or reduce waste generation

3 Abuse

The intentional, wrongful, or improper use or destruction of state resources, or a seriously improper practice that does not involve prosecutable fraud.

Examples:

- Failure to report damage to state equipment or property
- Improper hiring practices
- Significant unauthorized time away from work
- Misuse of overtime or compensatory time
- Misuse of state money, equipment, or supplies

4 Corruption

An intentional act of fraud, waste, or abuse, or the use of public office for personal, pecuniary gain for oneself or another.

Examples:

- Accepting kickbacks or other gifts or gratuities
- Bid rigging
- Contract steering

5 Conflict of Interest

A conflict of interest is a situation in which a person is in a position to exploit his or her professional capacity in some way for personal benefit.

Examples:

- Purchasing state goods from vendors who employ or are controlled by the purchaser's relatives
- Outside employment with vendors
- Using confidential information for personal profit or to assist outside organizations

2017 Statistical Summary

The Inspector General's Office received a total of 369 complaints in 2017. From 1990 through 2017, more than 8,100 complaints have been reviewed.

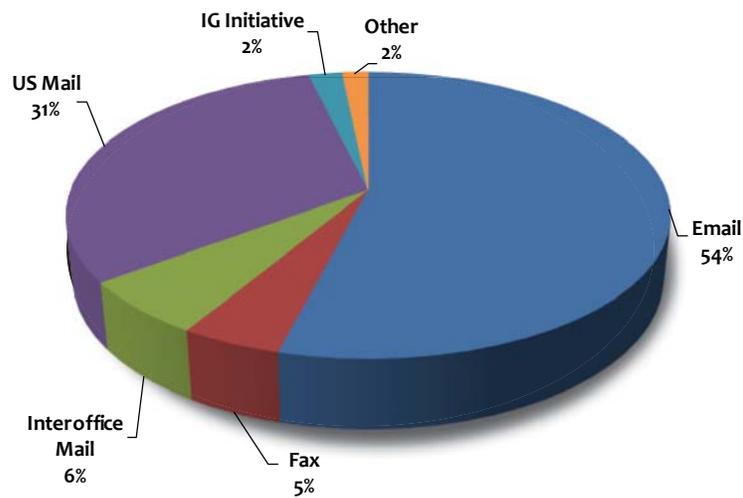
2017 Complaint Status				
	<u>GENERAL</u>	<u>ODOT</u>	<u>OBWC/ICO</u>	<u>ALL</u>
Cases Opened ¹	30	7	11	48
No Jurisdiction	124	0	0	124
Insufficient Cause	81	3	5	89
Referred	95	3	8	106
Pending ²	2	0	0	2
Complaint Totals	332	13	24	369

¹ "Cases Opened" are the number of complaints that became open cases. Multiple complaints related to the same wrongdoing or omission may be merged into one open case. Although 46 cases were opened in 2017, they were derived from 48 different complaints.

² "Pending" are those complaints that require additional information before a determination can be made.

The following chart highlights the various methods in which complaints are received by the Inspector General's Office:

Methods in which Complaints were Received in 2017

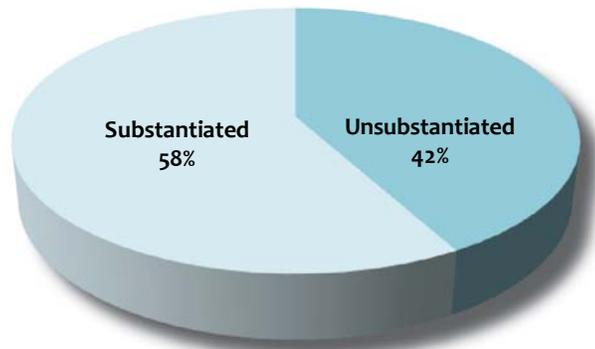


The Inspector General’s Office closed 48 cases in 2017. The number of cases closed may reflect cases that were opened in previous years. The following chart summarizes the outcome of the cases closed during the period covered by the 2017 Annual Report:

Results of Cases Closed in 2017	
Total Recommendations Made to Agencies	83 in 23 cases
Total Referrals	30 in 20 cases
Total Criminal Charges	5 in 3 cases
Identified \$ Loss	\$3,115,486.40 in 8 cases

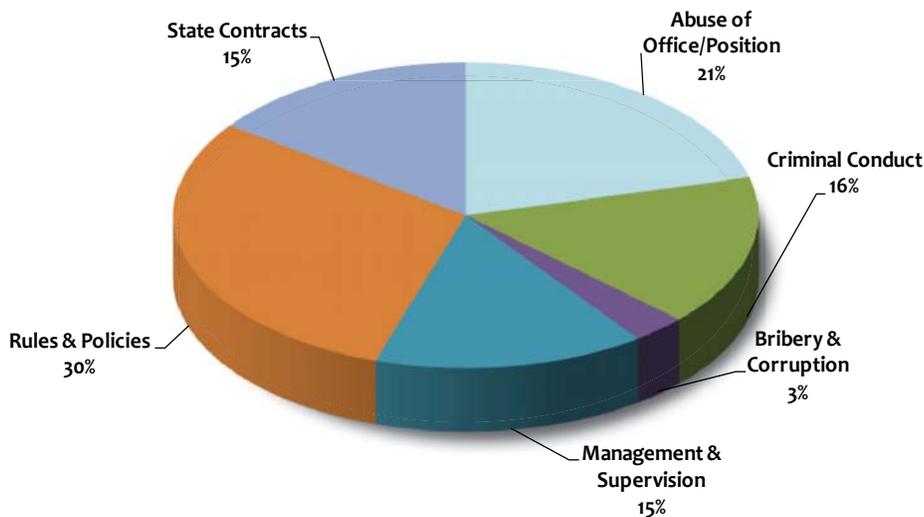
Of the 48 cases closed in 2017, the following chart designates the percentage of allegations in closed cases that were found to be substantiated versus those allegations that were found to be unsubstantiated.

Findings of Allegations for Cases Closed in 2017



The following chart highlights the types of wrongdoing alleged in cases closed in 2017. Cases investigated for violating rules and policies (30 percent) and abuse of office/position (21 percent) led the categories in the cases closed for 2017.

Substantiated Allegations by Type in 2017



General Area

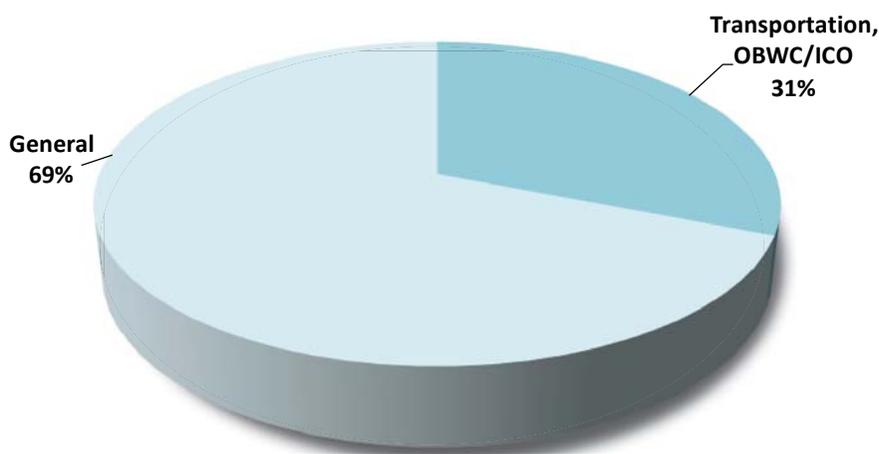
2017 Report

In order to efficiently investigate matters delegated to this office by statute, the Inspector General's Office divides its investigatory casework between three separate areas. Two of these areas, the Ohio Bureau of Workers' Compensation/Industrial Commission of Ohio, and Ohio Department of Transportation, have assigned deputy inspectors general. These designated positions were created by specific statutes in the Ohio Revised Code.

The third area, the General Area, is broad in scope and encompasses all the remaining state of Ohio departments and agencies under the purview of the Inspector General's Office. Deputy inspectors general who are assigned casework in the General Area are responsible for a wide range of Ohio government, including the departments of Natural Resources, Job and Family Services, Public Safety, and Rehabilitation and Correction, to name a few. Because of the extensive nature of the casework performed in the General Area, this area generates and reflects the largest amount of cases completed, or closed, by the office.

In 2017, there were 29 cases opened and 33 cases closed in the General Area of the Inspector General's Office. As part of the lifespan of a case, the number of cases closed may reflect cases that were opened in previous years.

2017 Cases Closed in the General Area



Summaries of Selected Cases - General

OHIO DEPARTMENT OF TAXATION

FILE ID NO: 2016-CA00033

On August 16, 2016, the Inspector General's Office received a complaint from the Ohio Department of Taxation outlining suspected illegal activity by one of its employees, Kelly Bolen. Taxation officials alleged Bolen had used various systems and databases under the control of Taxation to access information of family members and acquaintances for non-work related purposes in violation of several Taxation policies. In one instance, agency officials alleged Bolen changed information requiring an identity quiz be completed by a relative, which in turn allowed a refund to be released to the relative.

The investigation showed Bolen had violated Taxation policies by accessing information of family members and acquaintances on several occasions over a four-year period. During an interview, Bolen acknowledged accessing this information but initially claimed she was allowed to do so. Bolen also claimed she had been told by her union representative this activity was permissible. Bolen claimed a limited knowledge of the Taxation policies even though she had acknowledged the receipt and understanding of these policies over her 28 years of employment with the agency. Bolen told investigators she had not always read these policies but had simply signed-off on them.

As to Bolen's accessing the information of the individual that prompted the complaint, Bolen claimed she did not know the person even though she was acquainted with his wife through social media. On another occasion, Bolen accessed the information of a person who she claimed she did not know; however, when pressed, told investigators the person was an ex-boyfriend who she had a relationship with for several years in the past.

When asked about the changes made to a relative's account, Bolen admitted to changing the relative's address. However, she adamantly denied changing the requirement that the relative complete an identity quiz in order to release their tax refund. Bolen surmised the nullification of the identity quiz requirement may have occurred when she changed the address. The Department of Taxation later confirmed the two fields were unrelated and Bolen's user ID was improperly used to nullify the requirement for the identity quiz, thereby allowing the tax refund to be processed.

Finally, Bolen told investigators she had prepared and filed three relatives' tax returns in the past. This action also violated Taxation policy.

Bolen was terminated from her employment with the Ohio Department of Taxation on November 3, 2016.

BOWLING GREEN STATE UNIVERSITY**FILE ID NO: 2015-CA00048**

In September 2015, the Inspector General's Office received a complaint from the Ohio Department of Transportation (ODOT) Office of Investigative Services concerning a Bowling Green State University (BGSU) researcher. ODOT staff reported that the researcher, Alan Atalah, Ph.D., had been conducting a research project evaluating ODOT's culvert boring process. The ODOT Office of Statewide Planning and Research made the decision to terminate the contract with Atalah and asked him to cease all work and send all existing project files to ODOT on a USB flash drive.

On September 21, 2015, while downloading the project data files to an encrypted drive to share with consulting firms for bids to complete the work, the ODOT program administrator noticed there were documents within the file that should not be shared with other potential vendors. During the review of these documents, a file titled "Conversations.doc" was discovered. The "Conversations.doc" file was seven pages of narrative that described sex acts involving adults, children, and animals. The Inspector General's Office conducted interviews with ODOT staff to affirm that no items on the drive had been added, deleted, or changed. Arrangements were made with BGSU to obtain a forensic image of the laptop hard drive used by Atalah.

The Inspector General's Office conducted forensic analysis on the USB flash drive and the hard drive from Atalah's BGSU laptop computer. "Conversations.doc" was the only item of erotic literature discovered on the USB drive. Four erotic literature stories were found on the hard drive of Atalah's laptop. Additionally, evidence of deleted stories and deleted mp4 sexually explicit videos was also discovered.

The "Conversations.doc" file was seven pages of narrative that described sex acts involving adults, children, and animals.

During the interview with Atalah, he admitted to the investigator that he had an interest in erotic literature and had read, copied, and saved stories on his laptop and home computer. Atalah said he was not familiar with any specific internet usage policy at BGSU and did not recall being asked to read or sign any policy. Atalah stated that nothing he did was illegal and while recognizing the "Conversations.doc" story as erotic literature, he did not recall saving the document nor could he provide any explanation as to how it was saved in the ODOT project file. When the investigator noted to Atalah that he believed he (Atalah) had recognized the document when it was shown to him, Atalah replied, "I didn't recognize the specific, I recognized that is of erotic and of a sexual nature. I didn't recognize the material."

The Inspector General's investigation determined wrongdoing when Alan Atalah had accessed and disseminated erotic literature using state equipment in violation of university policy. The Inspector General's Office chief legal counsel reviewed the matter with an assistant United States Attorney and a Federal Bureau of Investigation supervisor assigned to the Internet Crimes Against Children Task Force. Federal authorities determined the erotic literature found on the state equipment did not meet the criteria for criminal charges. The Inspector General's Office referred the case to the Wood County Prosecutor's Office.

OHIO DEPARTMENT OF REHABILITATION & CORRECTION**FILE ID NO: 2015-CA00043**

In August 2015, the Ohio Department of Rehabilitation and Correction (ODRC) notified the Inspector General's Office that Marion Correctional Institution (MCI) staff had discovered two unauthorized personal computers hidden on a plywood board in the ceiling above a closet in a training room. The two computers were connected to ODRC's computer network and were not owned by the state of Ohio.

During the investigation, the Inspector General's Office learned that MCI inmates participated in several programs offered at the prison, including the RET3 program which disassembles out-of-date computers for recycling. Investigators discovered that inmates were routinely left unsupervised for extensive periods of time and were allowed unsupervised access to computers, computer wiping and imaging software, computer



Location in ceiling where computers were found.

cables, power cords, and other computer hardware parts. Moreover, investigators found that inmates routinely used computers in either offices without windows or offices with windows that were covered and doors that could be closed.

Investigators determined that inmates had illicitly obtained two computers that were slated for disassembly, placed hard

drives into the computers, installed a network card, transported the computers across the institution for approximately 1,100 feet, through the security check point without being searched or questioned by staff, accessed an elevator to the third floor, and placed the two computers in the ceiling of a training room. The inmates not only placed the two computers in the ceiling, they also ran cable, and power cords to connect the devices undetected onto the ODRC network. Investigators learned from one inmate that he would periodically return to the training room unsupervised to make modifications to the hidden computers, and connected the computers to the staff network, allowing inmates access to the internet, which they could remotely access through any inmate computer.

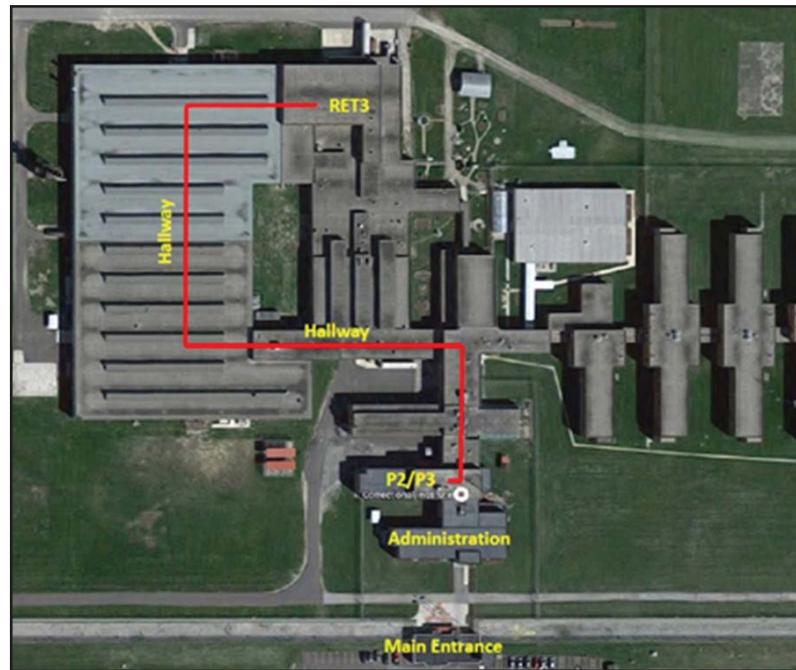
Investigators also learned that the Departmental Offender Tracking System (DOTS) portal was attacked. The two computers in the ceiling were used to access DOTS to obtain confidential personal information (CPI). The information was used to acquire a fraudulent debit card for the purpose of filing fraudulent tax returns. The computers were also used to create inmate passes affording them unauthorized access to other prison locations, to send unauthorized text messages, to research making bombs and homemade drugs, and to attempt to release computer viruses onto the ODRC network. In addition, inmates attempted to access sentencing information in order to alter release dates.

During the investigation, the Inspector General's Office discovered two additional areas of concern. The first concern regarded ODRC's failure to report criminal and illegal activity to proper authorities. Investigators learned that ODRC had become aware on July 3, 2015, of a computer user with the log-in identity of MCI Contractor Randall Canterbury attempting to bypass ODRC network security controls. MCI Warden Jason Bunting knew some of the activity on the unauthorized computer occurred on days and times when Canterbury was not on the grounds of the institution. Bunting was also aware of the websites being accessed and that the computer was hidden, leading him to suspect an inmate was involved and that illegal activity was occurring. However, neither Bunting nor the MCI investigator advised the Ohio State Highway Patrol trooper assigned to MCI, nor the MCI major who is responsible for the security of the institution, of the operation or search for the unauthorized computers.

Additionally, Bunting did not forward an incident report to his supervisors or ODRC Central Office until July 27, 2015. The Ohio Department of Rehabilitation and Correction notified the

Inspector General's Office of the incident on August 7, 2015. Bunting had no explanation as to why he did not report this suspected illegal activity to the Ohio State Highway Patrol and the Inspector General's Office as required by policy. This failure to report criminal and illegal activity violated the *Governor's Office Policy and Procedures for Notification of Suspected Illegal or Improper Activity within State Departments and Agencies* and ODRC policies.

The second concern by investigators surrounded events occurring in secured areas of the investigation that were located at MCI. On August 25, 2015, the Ohio State Highway Patrol began seizing hard drives from every computer used in these areas, and investigators began mapping and seizing hardcopy documents to match physical evidence to forensic evidence recovered from the hard drives. On September 2, 2015, representatives from the Inspector General's Office, Ohio State Highway Patrol, and the Ohio Department of Administrative Services met with Bunting. At this meeting, investigators identified to the warden the specific areas of interest located at MCI that were to be considered as "secured" due to the investigation, and Bunting was directed to contact either the Inspector General's Office or the Ohio State Highway Patrol should any questions arise involving these areas. The



1,100 ft. path inmates transported computers at MCI without being searched

doors to several areas of interest were re-keyed so that only one key would access all the areas. The key was held in the control center and only a limited number of people were permitted to use the key. However, in another lapse of security at MCI, the Inspector General's Office discovered on October 19, 2015, that documents and books were missing from two of the secured areas. Bunting was contacted to find out who had authorized both the entry into these areas and the removal of documents and other property from the areas. The warden told investigators that staff members were permitted to enter these areas to obtain files needed for some of the prison's programs.



Before
(photo dated August 26, 2015)



After
(photo dated October 19, 2015)

The Inspector General's investigation concluded that ODRC MCI failed to adequately supervise inmates; failed to protect information technology resources and to follow ODRC password security policy; and failed to report suspected illegal activity and follow ODRC crime scene protection policy. The findings from this investigation were forwarded to the Marion County Prosecutor's Office and the Ohio Ethics Commission for consideration.

OHIO DEPARTMENT OF REHABILITATION & CORRECTION FILE ID NO: 2015-CA00047

During the course of an investigation, the Inspector General's Office discovered evidence that indicated the Marion Correctional Institution (MCI), under the Ohio Department of Rehabilitation and Correction (ODRC), circumvented proper competitive bid processes. Specifically, MCI had amended a terminated contract with WinWin, Inc. (WinWin), and failed to inform and provide ODRC contract administrators with relevant information related to the contract's termination and subsequent contract addendums.

ODRC entered into a contract with WinWin to provide services, including the Lifeline program and Prison News Network (PNN), on June 19, 2013, with an effective date of May 1, 2013. This contract was set to expire on June 30, 2013. However, ODRC MCI executed a contract addendum with WinWin, exercising a two-year renewal clause as provided in the original contract beginning on July 1, 2013, through June 30, 2015. Investigators were unable to determine the effective date of the contract addendum because the signature dates of ODRC's deputy director of administration and ODRC's director appear to have been altered

from “June 19, 2013” to “June 29, 2013.” On March 31, 2015, WinWin Executive Director Lauren McGarity sent email notification to ODRC MCI Business Administrator Rebecca Shafer terminating the contract between WinWin and ODRC MCI effective April 1, 2015.

The investigation found that between December 2014 and April 2015, former independent contractor JoDee Davis had discussions with both MCI Warden Jason Bunting and MCI Business Administrator Shafer as to how her newly created organization, Healing Broken Circles (HBC), could take over WinWin’s contract with ODRC MCI to provide the services at MCI. Davis admitted to investigators that both Bunting and Shafer were aware of ongoing negotiations between Healing Broken Circles and WinWin concerning the contract for services at MCI.



In March 2015, WinWin’s remaining employees resigned, which left WinWin with no employees to provide services as described in the contract. McGarity stated in her interview that she identified other individuals, specifically former ODRC employees to provide the services described in the WinWin contract, which was set to expire on June 30, 2015. McGarity said Bunting and Shafer would not work with WinWin to satisfy the contract.

A review of emails revealed that Shafer failed to provide ODRC contract administrators with enough detail to make an informed decision on WinWin’s contract, and neglected to inform ODRC contract administration that WinWin terminated the contract early, effective April 1, 2015. Shafer advised contract administration via email that the service provider for the MCI program had gone through some reorganization and management changes. Shafer stated that the service provider would remain the same, but the name would change. On April 14, 2015, ODRC MCI executed an addendum to amend the contract. The addendum named Healing Broken Circles as the vendor, although the original vendor on this contract was WinWin. The addendum stated that the Marion Correctional Institution was completing the amendment to reflect a name change, and noted that, “The Marion Correctional Institution is completing this amendment to reflect a name change for the current service provider. All terms and conditions, with the exception of the name, remain in effect.”

On the same date, ODRC MCI executed a second addendum for a renewal of this contract with Healing Broken Circles as the vendor. This addendum exercised the two-year renewal clause as provided in the original contract extending the dates of service from July 1, 2015, through June 30, 2017. Though the contract had already been terminated by McGarity effective April 1, 2015, MCI Business Administrator Shafer continued to make several attempts to justify the contract addendum by changing the name of the vendor from WinWin to Healing Broken Circles, with Jo Dee Davis continuing with the program as the main service provider. These actions violated ODRC’s *Purchased Services Contracting Policy* for failing to follow its competitive contracting requirements. Additionally, a review by investigators of the contract addendums revealed problems related to the process of

reviewing, approving, and executing contracts, including: repeat addendums signed on different dates; addendums signed on or before the actual contract execution; and lack of supporting documentation for contract addendums.

The investigation also found that ODRC executed a contract with Najmuddeen Salaam for Prison News Network (PNN) Operations Management Services on August 1, 2015. The contract was in the amount of \$20,000 per year and was set to expire on June 30, 2017. However, PNN was part of the services to be provided in the contract ODRC held with WinWin. The contract that ODRC executed with WinWin in response to the request for proposal referred to the solicitation for the goods and services to be provided, which included both the Lifeline Reentry Community Center and Prison News Network at MCI.

According to the general counsel for the ODRC Office of Administration, the PNN portion of the proposal was not part of the resulting contract with WinWin, due to a lack of funding to support PNN. The general counsel stated that during the negotiations between WinWin and ODRC, the PNN portion was to be removed. However, after reviewing ODRC's file on PNN and Lifeline, the general counsel stated there was no written documentation in the files noting that PNN had been removed. ODRC should have included language to make it clear that the contract was only for Lifeline and did not include PNN.

The investigation determined that despite MCI Warden Jason Bunting's close and continuing relationship with Salaam, Bunting failed to remove himself from the scoring process on the PNN contract's request for proposal, which was ultimately awarded to Salaam. After spending several years as an inmate at MCI where he participated in the Lifeline programs, Salaam worked as a contractor and volunteer in Lifeline at MCI following his release. When Salaam had bid on the PNN contract, he was working as a contractor in Lifeline. Bunting and Shafer were responsible for scoring the responses to the request for proposal for the PNN services contract, which included Salaam. Bunting admitted to investigators that he had conversations with Salaam about pursuing the PNN contract.

From the information acquired during the investigation, individuals who provided services under both the Lifeline and PNN contracts, specifically Jo Dee Davis and Najmuddeen Salaam developed, what appeared to be, an unusually close relationship with MCI Warden Jason Bunting, which may have affected his judgment with Davis' takeover of the contract to provide services for Lifeline. Therefore, the Inspector General's Office found reasonable cause to believe an appearance of impropriety occurred in this instance.

... despite MCI Warden Jason Bunting's close and continuing relationship with Salaam, Bunting failed to remove himself from the scoring process on the request for proposal, which was ultimately awarded to Salaam.

The Inspector General's investigation concluded ODRC violated policy by failing to follow competitive bidding requirements, and expressed concerns regarding the process that was used to review, approve, and execute the contracts. Investigators also became aware that, as of December 2017, Najmuddeen Salaam was wanted by the Delaware County Sheriff's Office for trafficking in drugs.

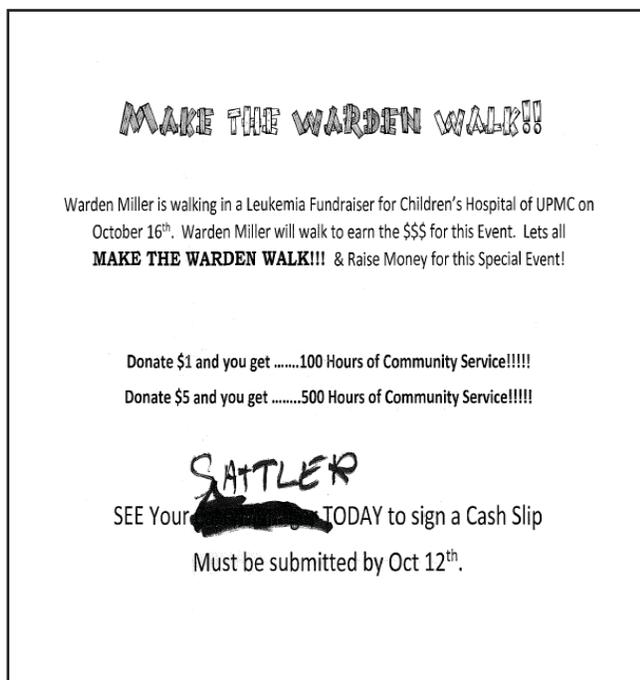
OHIO DEPARTMENT OF REHABILITATION & CORRECTION**FILE ID NO: 2016-CA00001**

In January 2016, the Inspector General's Office opened an investigation regarding suspected wrongful acts committed by Belmont Correctional Institution (BeCI) Warden Michele Miller; specifically, Miller's involvement in the matter of inmates' accrual of community service hours and whether those hours were reported to the courts and used to make early release decisions.

Ohio Revised Code prohibits community service hours from being used to reduce an inmate's sentence; however, community service hours are allowed to be used for other inmate programs. Specifically, community service can be used as part of an inmate's reentry program or for use when obtaining their Certificate of Achievement and Employability.

From a review of the Community Service Applications, investigators found numerous violations of policy occurred at BeCI: applications for community service were completed by BeCI staff members and not by the community partners as required; and applications were missing required information such as the cost savings, community service coordinator-signed recommendations, verification of the organization's non-profit status, and approval signatures of the managing officer, warden, or designee. Per the policy, incomplete applications should have been returned to the community partners and the projects not progressed forward. Additionally, BeCI did not maintain a list of inmates who requested a copy of their community service hours report during the period under review. As a result, the Inspector General's Office was unable to determine if any inmate had an approved court order to allow for community service hours to reduce court-imposed fines and costs.

In regard to donations, inmates were given community service hours for dollars donated to the charity of the warden's choice, which violated the community service policy stating that hours are to be granted for "productive and meaningful work." However, both Miller and other BeCI staff admitted community service hours were granted for the duration of time items were on display, rather than the time it took to work on and complete the projects. Miller herself stated in her interview that she would contact the community organizations to determine if the items donated were still in use. This allowed inmates to accrue an excessive amount of community service hours for no work performed.



Flyer advertising event in which inmates were given community service hours for dollars donated.

Miller stated she did not know how community hours were calculated, but other BeCI staff explained that Miller was fully aware of the calculations. On documents provided by BeCI regarding the amount of hours to be credited to select inmates, handwritten notes stated, “per Warden Miller.”

BeCI also conducted various food sales throughout the year where inmates were credited community service hours for making purchases. This was in conflict with the approved policy, which only permitted inmates who performed work setting up an event to earn community service hours.

The Inspector General’s Office obtained emails showing that Miller was informed of the pending investigation related to BeCI’s community service hours. Shortly after Miller was informed of the investigation, she sent an email requesting more than 200,000 earned community service hours be removed from the community service hours report for the last three months of 2015. When confronted with these emails, Miller told investigators she had already been looking into the issue and it was just a coincidence that her request to remove hours was made at that time. Additionally, a BeCI staff member also provided to investigators an email that contained a handwritten note from Miller stating inmates were to earn 100 community service hours for every \$1.00 donated, dated December 30, 2015. Miller’s note on the email contradicted Miller’s statement to investigators.

The Inspector General’s investigation found wrongdoing for Michele Miller’s actions regarding awarding excessive community service credits to inmates for donations made to a charity selected by her and for purchases made during various food sales. Miller’s actions were in violation of ODRC’s policies, which specified service credits are to be awarded to inmates for work that was to be “productive and meaningful.” Additionally, the investigation determined wrongdoing occurred when Miller attempted to change records when notified of a pending investigation. The Inspector General’s Office referred the case to the Belmont County Prosecutor’s Office, the Ohio Ethics Commission, and the Supreme Court of Ohio.

OHIO DEPARTMENT OF REHABILITATION & CORRECTION

FILE ID NO: 2016-CA00020

In May 2016, the Inspector General’s Office initiated an investigation to review the contract provisions detailing payments to be made by the Ohio Department of Rehabilitation and Correction (ODRC) to Aramark Correctional Services, LLC (Aramark) for food services provided in accordance with the contract. Investigators reviewed invoices submitted by Aramark totaling \$58,950,939.81 for meals served to inmates using the daily midnight census count, for kosher meals served, and additional expenses identified in the contract as reimbursable.

Investigators determined an additional 13 inmates were included in the daily midnight census counts used by Aramark to calculate the amounts owed by ODRC for the inmate meals served. ODRC representatives explained that an error was identified in July 2014 between the calculated total of the individual institutions and the total reported in the reporting

program used by Aramark. Based on discussions at a July 2014 meeting attended by ODRC and Aramark representatives, ODRC stated they had directed Aramark to add 13 inmates to the daily London Correctional Institution inmate count.

After further investigative inquiries, ODRC notified the Inspector General's Office in December 2016 that the 13 inmates were, in fact, test inmates and should not have been included in the daily counts used by Aramark to calculate the number of meals served. On March 13, 2017, ODRC received a credit in the amount of \$57,192.64 for the 13 test inmates added to the daily inmate count during the period from September 18, 2013, through November 23, 2016.



Investigators further noted that ODRC had paid Aramark for \$42,660.22 of additional expenses which included \$350 for tips paid when purchasing supplemental food at ODRC's request. After investigators questioned the tip reimbursement, ODRC determined it had improperly reimbursed Aramark for the tips and subsequently received a \$350 credit from Aramark on a January 27, 2017, invoice.

Lastly, investigators noted that ODRC had also reimbursed Aramark \$37,682.73 for 50 percent of the cost of paper goods incurred during kitchen renovations or equipment repair during the period from July 30, 2015, through September 28, 2016. ODRC representatives explained to investigators that ODRC and Aramark had verbally agreed to split these costs. This verbal agreement was contrary to the contract between ODRC and Aramark, which provided, "No change to any provision of this Contract will be effective unless it is in writing and signed by both parties." The contract between Aramark and ODRC was amended effective January 13, 2017, to include the previous verbal agreement made between ODRC and Aramark in the summer of 2015.

The Inspector General's investigation determined that Aramark had substantially complied with the contract; however, found wrongdoing when ODRC made verbal amendments to the contract which were expressly prohibited by the contract signed between ODRC and Aramark, and for the payment of tips on supplemental food purchases.

OHIO DEPARTMENT OF HIGHER EDUCATION

FILE ID NO: 2015-CA00046

During the course of two Ohio Department of Rehabilitation and Correction (ODRC) investigations, the Inspector General's Office discovered that Lauren McGarity, then director of special projects at the Ohio Department of Higher Education, was conducting personal business on state time as WinWin, Inc.'s executive director. WinWin, Inc. was a non-profit agency founded by McGarity and was contracted by ODRC to run a program at Marion Correctional Institution (MCI) that offered social-emotional learning, foreign language

studies, basic computing, and employment-specific skills education to the inmates housed at the institution. Investigators later identified McGarity as the agent and incorporator for several other active businesses.

A forensic review conducted by the Inspector General's Office on both McGarity's state-issued desktop computer and state-issued laptop computer found the following:

- Artifacts of McGarity's internet activity on 272 of the 573 days from April 23, 2014, through November 16, 2015, related to McGarity's personal business interests on the state-owned desktop computer assigned to McGarity.
- Artifacts of McGarity's internet activity on 118 of the 350 days from December 1, 2014, through November 15, 2016, related to McGarity's personal business interests on the state-owned laptop computer assigned to McGarity.
- 110 documents on the state-issued desktop computer assigned to McGarity related to her personal business interests.
- 180 documents on the state-issued laptop computer assigned to McGarity related to her personal business interests.

The documents found on both the state-issued desktop computer and state-issued laptop computer assigned to McGarity that were related to her personal business interests totaled 993 pages. Investigators discovered McGarity had used her state email account to contact several Ohio Senate staff members to discuss the progress of legislation that would have advanced one of her business interests. Additionally, a review of McGarity's state email account found numerous emails related to her personal business interests. Investigators specifically identified the following:

- 172 emails related to WinWin, Inc.;
- 80 emails related to WinWin Academy;
- 36 emails related to Papaya BBQ (her son's restaurant);
- 44 emails sent or received by an executive assistant at ODHE whose services McGarity was utilizing to scan documents related to her personal business interests;
- 166 personal emails.

The Inspector General's Office also examined McGarity's personal cell phone records for the period from June 1, 2014, to October 31, 2015. Of the 5,285 calls that occurred on McGarity's personal cell phone during reported work hours, investigators determined:

- 189 calls related to personal business interests totaled 10.2 hours.
- 2,992 personal calls totaled 109.1 hours.

Of the 8,021 texts that occurred during McGarity's reported work hours, investigators determined:

- 746 text messages were related to personal business interests.
- 2,900 were personal text messages.

Investigators discovered from their review of McGarity's Outlook calendar and email communications, McGarity had vacationed in Bar Harbor, Maine, and Acadia National Park from July 22, 2015, through July 31, 2015. During this 10-day period, McGarity claimed regular

or compensatory time earned on eight of the 10 days. In total, while on vacation, McGarity was compensated for 39.25 hours of “regular time” worked, 11.25 hours of “comp time earned,” and 24.75 hours of “comp time used.” The investigation also found that McGarity failed to accurately report her workday start times between June 2, 2014, and October 15, 2015.

Ohio Department of Higher Education did not have a teleworking policy and according to the ODHE *Time and Attendance* policy, “... employees are expected to be in the workplace and ready to work at the start of their scheduled work day.” Ohio Department of Higher Education upper management and McGarity’s supervisor confirmed that McGarity was not permitted to work remotely and cited one occasion when McGarity was denied authorization to work remotely. As a result, any time claimed prior to officially being in the workplace was in violation of the ODHE *Time and Attendance* policy. The investigation also determined that McGarity’s questionable time reporting was, in part, due to a lack of oversight by ODHE management.

The Inspector General’s investigation determined wrongdoing occurred when Lauren McGarity improperly used her state email, desk phone, and computers to conduct personal business. The investigation found further wrongdoing when McGarity improperly used her position by identifying herself as an ODHE employee and using her state email account to contact Ohio Senate staff to discuss the progress of legislation that would advance one of her personal businesses, WinWin Academy. Finally, the Ohio Inspector General found wrongdoing for McGarity’s failure to accurately report her hours of work on over 200 occasions.

McGarity was terminated on November 28, 2016. The report of investigation was provided to the City of Columbus Prosecuting Attorney and the Franklin County Prosecuting Attorney. On January 3, 2018, McGarity plead guilty in Columbus Municipal Court to a first-degree misdemeanor ethics violation, and was ordered to pay a fine and court costs.

OHIO DEPARTMENT OF NATURAL RESOURCES

FILE ID NO: 2016-CA00024

In July 2016, the Inspector General’s Office conducted an investigation regarding possible wrongdoing on the part of Ohio Department of Natural Resources (ODNR) Law Enforcement Staff Officer Scott Santos.

ODNR’s original allegation specified that Santos was conducting firearms training for outside agencies as secondary employment, and used state time and equipment in the planning aspects of this secondary business activity. The allegation also alleged that Santos exercised privileges of his employment at ODNR in order to gain unpaid private access to the firearms training range during a time when it was otherwise closed to the general public. In doing so, he avoided normal use fees that would have been collected from those who attended the training.

While ODNR made no allegations that any of the actual firearms training was performed during days or times Santos was working for the state of Ohio, investigators reviewed

Santos' activities and confirmed that Santos did not conduct firearms trainings on state time. Additionally, investigators verified that the Delaware Wildlife Area range was closed to the public on Mondays and Tuesdays and the Ohio Division of Wildlife permitted the use of the shooting ranges free of charge by outside law enforcement agencies for firearms training and qualification purposes.

However, the Inspector General's Office determined wrongdoing occurred when Santos used state time and equipment in the planning aspects of his secondary business activity. Santos admitted to investigators that he had conducted firearms training as a secondary employment for investigators of the Ohio Auditor of State, officers of the Ashley Police Department, and deputies for the Hardin County Sheriff's Office, and the trainings and firearms qualifications occurred at the



Delaware Wildlife Area shooting range. Investigators determined that Santos, during days and times he was working for the state of Ohio, had used state equipment and services to arrange and schedule these trainings and qualifications, and to obtain permits for use of the Delaware Wildlife Area range. Scott Santos resigned from ODNR effective October 13, 2017.

OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES

FILE ID NO: 2015-CA00049

On September 22, 2015, the Inspector General's Office received notification from the Ohio Department of Administrative Services (ODAS) that Unity Resource Solutions (Unity) was representing itself as a certified Minority Business Enterprise (MBE) when bidding for state contracts, knowing that its certification had been rescinded days after it was issued. Additionally, ODAS raised concerns that Unity Resource Solutions was not owned and controlled by Eron Colson and that Unity Resource Solutions was acting as an agent or intermediary in conjunction with Demitra Burkhart and AIN Systems in creating contracts designated strictly for minority-owned businesses.

Unity Resource Solutions (Unity) is a sole proprietorship owned by Eron Colson. Unity filed a trade name with the Ohio Secretary of State, listing Eron Colson as the registrant on April 11, 2014. The Inspector General's Office found that Unity Resource Solutions was initially certified by the ODAS Equal Opportunity Division (EOD) as an MBE on May 9, 2014, at the direction of Harry Colson, former ODAS-EOD state coordinator, who was Eron Colson's husband. On May 20, 2014, Unity's MBE certification was rescinded, noting that the certification was issued in error and that the certification remained pending and under review.

On March 18, 2016, ODAS-EOD sent Unity a Notice of Intent to Deny MBE Certification because Unity was not owned and controlled by a member of an economically disadvantaged group, and was acting as an agent or intermediary in making contracts as

specified by Ohio Revised Code §123.151. Unity requested an administrative hearing to appeal the Notice of Intent to Deny MBE Certification, which was conducted on September 28, 2016. In the report and recommendations, the hearing officer recommended denying Unity's request to be certified as an MBE. On February 6, 2017, the director of ODAS issued an adjudication order in this matter. The adjudication order stated, in part:

... Having reviewed the Report and Recommendations of the Hearing Officer, along with any objections to that report that have been filed, the Director of the Department of Administrative Services hereby confirms and approves the Report and Recommendation of the Hearing Officer ...

Unity had 15 days to file a notice of appeal with ODAS and with the Franklin County Court of Common Pleas, which Unity representatives failed to do.

The investigation determined that from May 8, 2014, to December 31, 2015, Unity received payments totaling \$1,200,707.43 on MBE set-aside contracts. However, the settlement agreement that Harry Colson entered into on April 28, 2015, stated that neither he nor his wife received any financial benefit as a result of the initial certification.

According to the Ohio Administrative Code, any person who intentionally misrepresents himself as owning, controlling, operating, or participating in a minority business enterprise for the purpose of obtaining contracts, subcontracts, or any other benefits under the Ohio Revised Code shall be guilty of theft by deception.

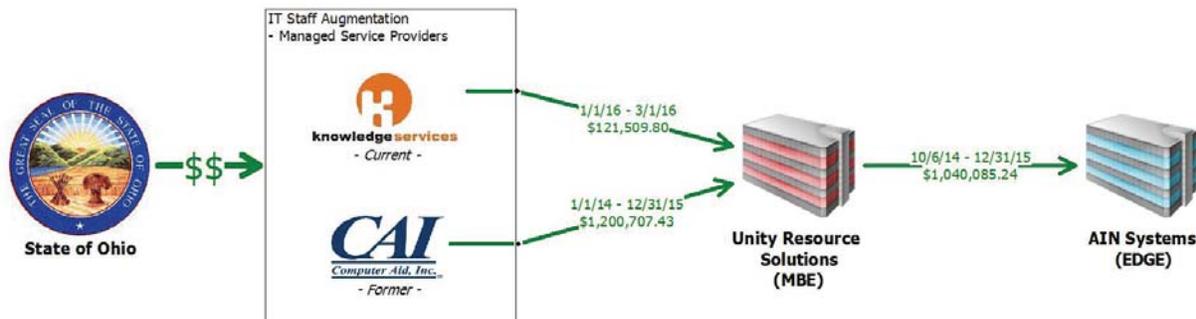
The investigation found, and the hearing officer confirmed, that Unity Resource Solutions worked exclusively with AIN, which was owned and controlled by Demitra Burkhart, and was in the same type of business. AIN, specifically Demitra Burkhart, had control of the day-to-day operations of Unity Resource Solutions. Although emails sent to or from Eron Colson appeared to be to or from Eron Colson, they were in fact regularly written and sent by Burkhart using the Unity Resources Solutions email.

All communication with the governor's office and ODAS which occurred in December 2015 and January 2016 regarding the status of Unity's MBE certification was generated by Demitra Burkhart. Based on documents reviewed by the Inspector General's Office, at no time during December 2015 or January 2016 did Eron Colson, as owner of Unity Resource Solutions, contact ODAS or the governor's office regarding the status of Unity's MBE certification.

A review of Unity's bank account, which included both Eron Colson and Harry Colson as signatories, found that approximately 96.9 percent of payments received and deposited were subsequently transferred to an account belonging to AIN Systems/Demitra Burkhart. These multiple transfers from Unity's bank account to AIN's bank account, totaling over \$1,000,000, suggests that Unity had no commercially useful function. Specifically, it appears that AIN, in order to gain the benefits provided exclusively to vendors who are certified as MBE, used Unity as a pass-thru vendor to gain state MBE set-aside dollars.

The Inspector General's investigation determined wrongdoing occurred when Unity continued to operate and obtain over a million dollars in state contracts after Unity was

notified that it was not a properly certified MBE vendor. The investigation also determined, and an administrative proceeding confirmed, that Unity did not have control over either its business or financial operations of the actual business and that Unity acquired its MBE certification at the direction of another company, AIN Systems, who ultimately benefited from the contracts. This report of investigation was provided to the Franklin County Prosecuting Attorney and the Columbus City Attorney's Office for review and consideration.



OHIO DEPARTMENT OF REHABILITATION & CORRECTION FILE ID NO: 2016-CA00030

In August 2016, the Inspector General's Office conducted an investigation after receiving notice from the Ohio Department of Rehabilitation and Correction (ODRC) of possible wrongdoing by one of its employees. The notice alleged that Adult Parole Authority (APA) Parole Officer Andrew Bernier used his official position and credentials to facilitate the release of an offender incarcerated at the Montgomery County jail who was not under the supervision of the Adult Parole Authority.

Bernier was on disability leave from June 24, 2016, with an expected return to work date of August 26, 2016. On July 29, 2016, Bernier discovered that Kathleen Driscoll had been arrested and was in the Montgomery County jail. Bernier had previously supervised Driscoll under the post release control requirements, but that supervision ended on March 28, 2014. Also on July 29, 2016, Bernier, while on disability leave and in his capacity as a parole officer, used his Adult Parole Authority credentials to sign the Montgomery County Sheriff's Office (MCSO) professional visitor log to enter the Montgomery County jail to visit Driscoll. After this visit, MCSO discovered Bernier had given Driscoll a poem and some photographs, which were considered contraband. As a result, the MCSO prohibited Bernier from entering the jail for subsequent visits. Bernier contacted an admission supervisor at the Woodhaven Drug and Alcohol Treatment Center and arranged for Driscoll to be accepted for in-house treatment. Bernier was told to have Driscoll transported to Woodhaven by 8:00 a.m. on August 2, 2016.

On August 1, 2016, Bernier contacted a municipal court bailiff, informing her that he could get Driscoll into treatment, but she had to be released to him. The bailiff instructed Bernier to contact the attorney assigned to Driscoll. Driscoll's attorney then presented the information provided by Bernier to the judge during Driscoll's arraignment hearing. The judge agreed with the plan to have Driscoll admitted to Woodhaven and completed the

court disposition paperwork releasing Driscoll, stating that Driscoll was, "... to be released 8-2-16 at 8:00 am to parole officer." Though Driscoll was not under APA supervision, Bernier improperly faxed an APA Order of Release to the Montgomery County jail for Driscoll, with the instructions to "Release to APA only Tue 8/2/16 @ 7:30 am."

The Montgomery County jail called the court to report that Bernier's APA supervisor had told them that Bernier "should not be doing what he was doing." At that point, the judge ordered that Driscoll could be released on her own. Driscoll was released from jail without Bernier's knowledge and he did not take her to the treatment facility.



Source: <https://www.google.com/maps/wdtn.com>

The Inspector General's investigation concluded Andrew Bernier improperly used his position to facilitate the release of an offender who was not under his supervision. Bernier retired from the Ohio Department of Rehabilitation and Correction on September 9, 2017.

OHIO DEPARTMENT OF REHABILITATION & CORRECTION FILE ID NO: 2016-CA00005

On January 4, 2016, the Ohio Department of Rehabilitation and Correction (ODRC) Bureau of Information Technology and Security received an alert indicating that an attempt had been made to log into a website categorized as a proxy avoidance, and the attempt had been blocked. ODRC determined that the user identification for the individual logged onto the computer where the attempt was made was Chad Hider, a teacher in the basic education area at Richland Correctional Institution (RiCI). The blocked website would have allowed users access to a software application to anonymously and quickly download files and software, and convert YouTube videos. ODRC permits authorized employees access to YouTube sites for three hours-a-day, and Hider used videos from YouTube as part of the general education courses he provided to inmates. Hider repeatedly denied to ODRC that he had accessed the blocked proxy avoidance website. Inmate Robert Rumack, who assisted Hider, had a history of computer misuse at ODRC. As part of ODRC protocol, the RiCI administration was advised of the alert and the matter was referred to the ODRC Chief Inspector's Office. On January 28, 2016, the Inspector General's Office initiated an investigation into the matter.

ODRC IT inspected both Hider's and Rumack's ODRC-assigned computers, and discovered that a second hard drive (HD2) had been installed within Rumack's computer. The Inspector General's Office conducted a forensic analysis on all three hard drives obtained from both Hider's and Rumack's computers. Investigators discovered software had been downloaded on numerous occasions onto both Hider and Rumack's computers. Hider stated he had limited computer skills and denied giving his computer password to Rumack, but speculated that because their desks were close together, Rumack could have observed his password being entered when Hider was signing on to his ODRC-assigned computer. Hider admitted

to investigators that he had left the classroom unattended while inmates were in the room. Hider said Rumack did have access to compact disks, and that both their computers had functioning USB ports and CD drives.

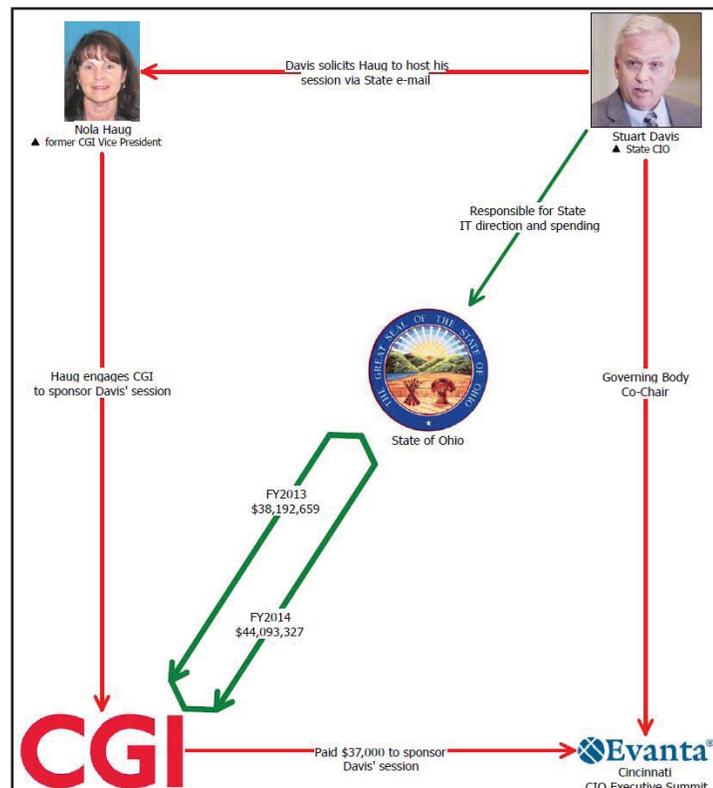
Investigators determined that one of the programs that was downloaded and installed was designed to obscure the network address identification and enable secure tunneling to prevent detection when using downloaders and torrents. Additionally, investigators found pornographic video files, television programs, and thousands of music files on Rumack's HD2 hard drive; and trace internet history indicating downloads of softcore pornography and television programs on Hider's computer. The Inspector General's investigation concluded ODRC employee Charlie Hider failed to appropriately supervise an inmate who had improperly utilized information technology resources.

OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES

FILE ID NO: 2017-CA00014A

In 2017, the Inspector General's Office engaged in a series of investigations related to the Ohio Department of Administrative Services (ODAS) Office of Information Technology (OIT). The investigations were initiated from complaints received by the Inspector General's Office, newspaper articles, and information acquired during related investigations alleging, among other things, improprieties by ODAS Chief Information Officer Stuart Davis.

CGI Group, Inc. (CGI), a global information technology consulting company, has received over \$250 million for information technology contracts with the state of Ohio since 2010. Investigators determined that on February 20, 2013, Davis sent an email from his state email account soliciting Nola Haug, vice president of CGI, to host Davis' speaking session at the 2013 Cincinnati CIO Executive Summit held on June 6, 2013. Davis served on the governing board and as a co-chair for the Cincinnati CIO Executive Summit since he started as the Ohio Department of Administrative Services OIT CIO in 2011. The summits are planned and controlled by the governing board members who assist Evanta, the Summit's organizer, with the process of identifying relevant topics, speakers, and vendor-sponsors for the event. Investigators discovered Davis had solicited Haug to host his speaking session and that CGI paid Evanta \$37,000 to host Davis' speaking session.



A review conducted by investigators of CGI contract files with the state revealed that Davis signed as a reviewer on two separate memorandums regarding contract amendments for CGI, one on April 15, 2013, and the other on June 27, 2013. Additionally, Davis signed ODAS Director Robert Blair's name on a contract amendment on June 13, 2013. Investigators also reviewed release and permit requests for CGI and found that Davis reviewed or approved 13 release and permit requests for CGI totaling \$37,964,526.69 from January 22, 2013, to July 26, 2013.

During an interview with Davis on September 28, 2017, Davis admitted to investigators to signing and approving contracts and contract amendments for CGI. Davis stated that he participated in meetings regarding CGI's performance on certain projects, which resulted in a review of all CGI projects and regularly scheduled meetings to discuss progress on CGI projects. Davis claimed during his interview on September 28, 2017, that he was not "soliciting Haug to sponsor" his speaking session, but was merely "asking her to introduce" him at the Summit. However, emails sent and received by Davis, with a proposed note to Haug at CGI, included language indicating more was being requested of CGI than a simple introduction. Investigators determined in emails sent to Haug by Davis that he was aware that a sponsorship was affiliated with hosting his speaking session.

Moreover, during the interview with Nola Haug conducted on September 6, 2017, Haug was asked about her comment to CGI staff that "... turning this down would not be the politically correct thing to do." Haug stated, "It would be rude ... We know anytime the state has an event thing that the vendors have to pay for it ... that's just how it is." CGI paid Evanta \$37,000 to host Davis' speaking session.

The Inspector General's investigation determined wrongdoing occurred when ODAS Chief Information Officer Stuart Davis, during times he was engaged in approving contracts and amendments for CGI, improperly solicited \$37,000 from CGI to host his speaking engagement. The report of investigation was provided to the Franklin County Prosecutor's Office, the City of Columbus Prosecuting Attorney's Office, and the Ohio Ethics Commission.

OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES

FILE ID NO: 2017-CA00014B

On April 13, 2017, the Inspector General's Office initiated an investigation into state of Ohio IT procurement processes; specifically, the hiring of IT contractors and consultants using state term schedule contracts. The Ohio Department of Administrative Services (ODAS), Office of Information Technology (OIT) has spent millions of dollars on IT consultants, often paying more than \$200 per hour for a single consultant. Many of these IT contracts were routinely awarded without a competitive procurement process to the same companies and individuals year after year.



In an effort to expedite the review of the state of Ohio IT procurement practices and given the magnitude of overall expenditures on IT consultants, the Inspector General's Office

determined an analysis should be conducted by a procurement expert. On September 11, 2017, the Inspector General's Office received Controlling Board approval to contract with procurement experts, Procurement Integrity Consulting Services, LLC. (PICS), and on September 20, 2017, the Inspector General's Office entered into a contract with PICS to conduct a comparative analysis of the state of Ohio IT procurement processes; specifically, the hiring of IT contractors and consultants. The review period was April 2015 through September 2017.

On December 1, 2017, PICS submitted a detailed report on the comparative procurement analysis to the Inspector General's Office.

Based on the PICS report, the Inspector General's Office found that the non-competitive state term schedule procurement practices of ODAS OIT do not align with procurement processes that support fair and equitable opportunities for qualified state term schedule vendors. In addition, the lack of effective procurement integrity controls identified in the analysis threatens the fair, open, and honest market place in which businesses compete. Therefore, the Inspector General's Office concurred with 10 findings and 13 considerations identified in the PICS report.

Some of the recommendations made by the Inspector General's Office included that ODAS:

- Reinforce, through policy, that all competitive procurements will be fair, open, and transparent, and further to establish a requirement that when state term schedule contracts cannot be competitively awarded by a request for quote (RFQ) and/or by obtaining three quotes, that sufficient written justification is documented as to why the non-competitive process was selected.
- Update and issue clear, concise, and uniform contracting policies and procedures to include obtaining a minimum of three quotes and making its vendor selection based on lowest cost or best value.
- Establish a process which ensures clear lines of authority that promotes a separation between the ability to request contract actions and those who authorize or approve the requested contract actions.
- Establish a *Contractor Performance Assessment* process.
- Consider establishing an independent *Competition Advocate* which is an employee specifically assigned the task of challenging barriers to the process of and promoting full and open competition.
- Consolidate all the recently issued State Term Schedule Guidance (1-5) into a single guidance, which also needs to include the other non-compete type contracts.
- When an agency is going to award a contract without providing for full and open competition, there should be sufficient justification for the action in writing; certification for the accuracy and completeness of the justification; and the agency should obtain the approval of appropriate individuals.
- Explore the value of adopting a competitive state term schedule contracting method currently utilized by other states such as Florida and North Carolina.

- Prior to negotiating future state term schedule contracts or renewing current ones, consider establishing a reasonable range of labor rates of equivalent positions across all labor categories.
- Determine the viability of developing a *Procurement Integrity Assurance Initiative* designed to assist management in mitigating the risk of procurement fraud and abuse and preserving organizational integrity.

This report of investigation was provided to the Ohio Auditor of State's Office and the Ohio Office of Budget and Management Office of Internal Audit for consideration.

WRIGHT STATE UNIVERSITY

FILE ID NO: 2016-CA00002

In January 2016, the Inspector General's Office received a complaint from a state representative regarding contract issues between Ron Wine Consulting Group (RWCG) and Wright State University (WSU), and Wright State Applied Research Corporation (WSARC). Based on an unusual payment structure and concerns that Wine had received payments outside of the terms of the contracts, an investigation was opened.

Investigators discovered that Ron Wine had been paid over \$2.3 million by Wright State since 2009. Over \$1.8 million were identified as overpayments, unsupported payments, unauthorized payments, or questionable payments. Wright State University (WSU) could only provide for review two contracts for consulting services with Ron Wine Consulting Group covering the time period examined.

The first contract specified a cap at \$400,000; however, WSU paid a total of \$1,126,448 over the contracted amount. Wine claimed a verbal contract covered extra payments for work performed on behalf of WSARC. However, the contract in effect from October 1, 2012, to April 30, 2015, explicitly disallowed verbal contracts and agreements. WSARC, and by extension Wright State University, failed to institute cost control mechanisms which would prevent these overpayments, unauthorized payments, and unsupported payments. Instead, WSU employee Ryan Fendley was granted the authority to approve these contracts and individual payments without oversight, resulting in overspending.

A review by investigators of the second contract revealed that WSU had paid a total of \$449,400; however, an analysis of the individual invoices related to this contract indicated \$321,450 in costs were unauthorized or questionable. Wine stated he had a verbal agreement to provide the extra payments for the contracted work on behalf of WSARC. However, all evidence to support Wine's assertion occurred prior to 2015, and the 2015 contract explicitly replaced and superseded all prior contracts.



Since 2012, all the money expended to pay for Ron Wine Consulting Group was obtained from the Workforce Development Fund, which was created by the Ohio state legislature and specifically earmarked for the creation of worker training and development programs and general job creation. From interviews conducted and documents reviewed by investigators, it appeared that Ron Wine Consulting Group was not involved in any work specified by the Workforce Development Fund. Instead, it appeared that Wine was solely providing grant finding and lobbying services to secure additional state and federal funds for WSARC and WSU.

The Inspector General's investigation concluded Wright State University paid Ron Wine Consulting group nearly two million dollars in questionable payments. The report of investigation was provided to the Ohio Auditor of State and the Greene County prosecutor.

OHIO LOTTERY COMMISSION

FILE ID NO: 2017-CA00027

On May 3, 2017, an Ohio Lottery Commission official visited the Ohio Lottery Commission (OLC) warehouse located at 4301 Perkins Avenue, Cleveland, Ohio, and noted that Inventory Control Specialist Supervisor

Scott Kronik was not at work. The official believed Kronik was off work without approved leave.

Kronik also did not report to work the following day. When OLC officials began investigating Kronik's absence from work, co-workers reported Kronik and

Lottery Delivery Worker Walter Liszniansky were seen sleeping at the OLC warehouse during days and times they were working for the OLC. On July 20, 2017, the Ohio Lottery Commission (OLC) referred a complaint to the Inspector

General's Office and the Ohio State Highway Patrol. OLC co-workers reported that they also observed Kronik, Liszniansky, and Lottery

Delivery Worker Jeffery Chapman loading excess wooden pallets from the OLC warehouse into the OLC truck, after which they sold the pallets and were observed dividing money between the

three of them. Additionally, co-workers reported to investigators that Kronik, Liszniansky, and Chapman removed metal furniture from the OLC warehouse and sold it at an unknown scrap yard.



American Iron and Metal (AIM) scrap yard June 8, 2015



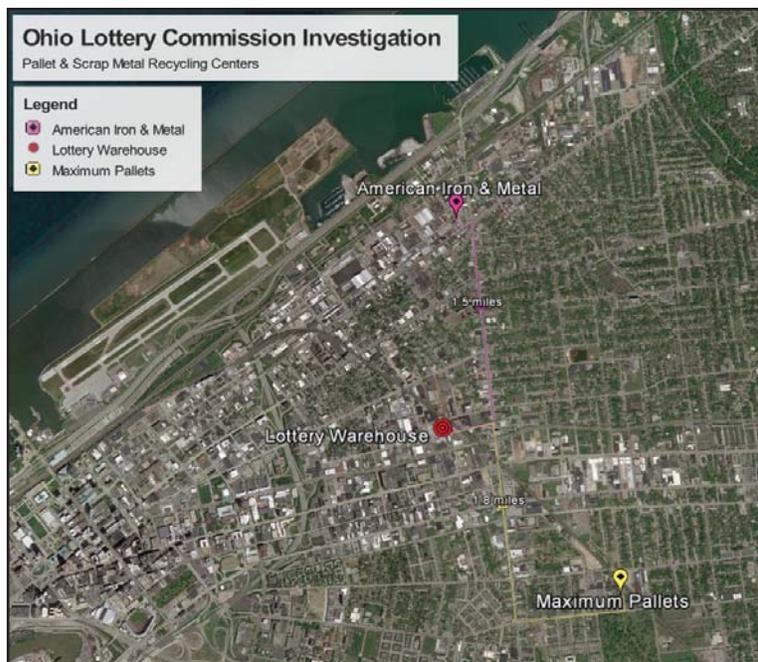
AIM scrap yard June 23, 2015

Investigators contacted the American Iron and Metal scrap yard where a search of AIM records revealed 17 instances where Liszniansky and/or Chapman were paid for scrap metal. AIM records also included photographs of Liszniansky, Chapman, former OLC Intern Douglas Deighton, the vehicle used, and the vehicle license plate. Additional searches revealed another 12 instances where Liszniansky, Chapman, and Deighton were paid for the sale of scrap metal. OLC employees Kronik, Liszniansky, Chapman, and Deighton received approximately \$1,243.69 for the sale of the state-owned scrap metal.

Investigators contacted the owner of Maximum Pallets Corp. who identified Liszniansky as the person who delivered and sold wood pallets to her on 27 instances. The Maximum Pallet Corp. records included the dates and amounts of the checks issued to Liszniansky. OLC employees Kronik, Liszniansky, Chapman, and Deighton received \$1,652.50 for the sale of the state-owned pallets.

Chapman and Liszniansky both admitted to selling the pallets and scrap metal and splitting the money with Kronik, who declined to be interviewed. While Kronik, Liszniansky, and Chapman were disposing of excess property as requested by an OLC official, they were not given permission to sell the excess property and keep the payments for themselves, which is a violation of Ohio Revised Code. In total, OLC employees Kronik, Liszniansky, Chapman, and Deighton received approximately \$2,896.19 from the sale of state-owned property. In addition, Kronik, as inventory control supervisor, failed to request and receive authorization from the Ohio Department of Administrative Services to locally dispose of agency excess and surplus supplies.

The Inspector General's investigation identified 56 instances of wrongdoing performed by Ohio Lottery Commission employees Scott Kronik, Walter Liszniansky, and Jeffrey Chapman who transported OLC-owned items stored at the OLC warehouse and sold the materials as scrap and divided the proceeds between themselves. The Inspector General's Office referred this report of investigation to the Cuyahoga County Prosecutor's Office for consideration. In December 2017, the three employees were indicted by a Cuyahoga Grand Jury for one count each of theft in office, a felony of the fourth degree.



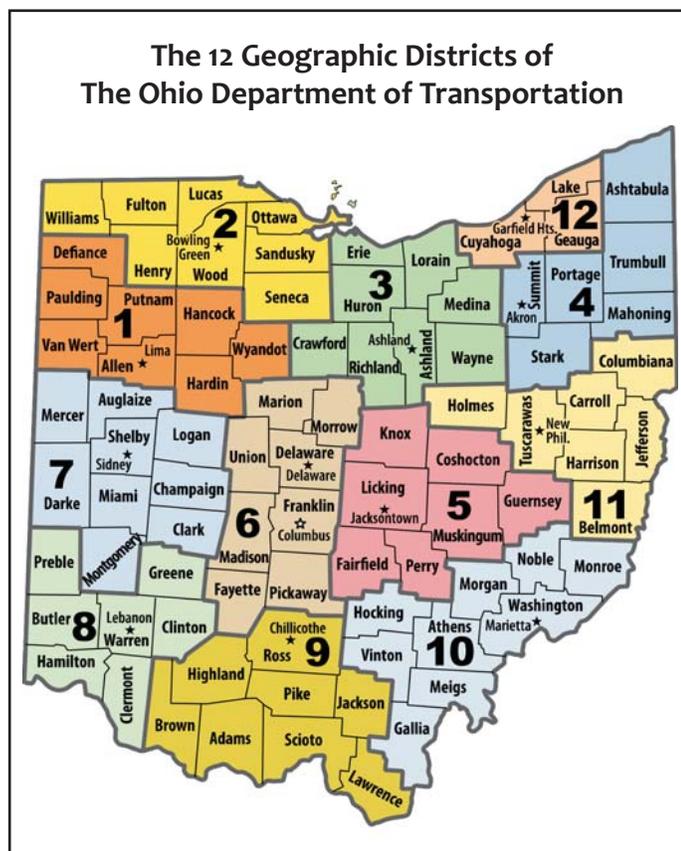
Location of wood and scrap sales

Ohio Department of Transportation

2017 Report

The responsibilities of the deputy inspector general for the Ohio Department of Transportation (ODOT) were created in 2007 with the enactment of Ohio Revised Code §121.51. This section directs a deputy inspector general to investigate “... all wrongful acts and omissions that have been committed or are being committed by employees of the department.” In addition, the deputy inspector general was charged with conducting “... a program of random review of the processing of contracts associated with the building and maintaining the state’s infrastructure.”

According to Legislative Service Commission biennial budget documents in FY 2017, ODOT had an annual budget of more than \$3 billion in operating and capital disbursements. ODOT is one of the state’s largest agencies in terms of employees, with over 5,000 staff members located in 12 districts throughout the state, and a headquarters in Columbus. Oversight is necessary to ensure that operations are conducted efficiently and effectively.



Source: www.dot.state.oh.us

Since the role of the deputy inspector general for the Ohio Department of Transportation was created in August 2007, there has been a continued focus on all aspects of contract processes and procedures, including the bidding process, purchasing of services, and cost overruns.

The continued cooperation between the Inspector General’s Office, the ODOT leadership team, and the ODOT chief investigator’s office will ensure the department manages the public’s money responsibly.

In 2017, there were seven cases opened and seven cases closed in the Transportation Area of the Inspector General’s Office. As part of the lifespan of a case, the number of cases closed may reflect cases that were opened in previous years.

Summaries of Selected Cases - Transportation

OHIO DEPARTMENT OF TRANSPORTATION

FILE ID NO: 2016-CA00042

In October 2016, the Inspector General's Office received a memorandum from the Ohio Department of Transportation (ODOT) alleging that ODOT employee Chad Haning, building construction superintendent for ODOT District 7, used two Menards rebate checks that had been issued to ODOT for his personal use.

The Inspector General's Office determined that Chad Haning obtained two Menards rebate checks issued to ODOT District 7, totaling \$77.37, and used them to purchase items for his personal residence. Haning was identified by his administrative assistant as the person making the purchases at the Sidney, Ohio Menards store on September 23, 2016, and October 17, 2016. The assistant also identified the signatures on the rebate checks used as those of Chad Haning, and identified Haning as the person pictured in the Menards security photos taken at the checkout register during each transaction.



During his interview, Haning admitted to investigators to taking the two Menards rebate checks from the mail at the ODOT District 7 office and using them to make purchases for his personal use. Haning identified himself to investigators as the person pictured in the Menards security photos. Haning also confirmed to investigators that the signatures were his on both the rebate checks and Visa debit card transactions conducted on September 23, 2016, and October 17, 2016, respectively.

Haning admitted that the items purchased, a ceiling fan and an enhanced television antenna, were both currently installed at his residence located in Piqua, Ohio. As an explanation for his actions, Haning said, "honestly, it was just a weak moment for me."

The Ohio Department of Transportation initiated disciplinary action against Haning after the investigative interviews were conducted on November 3, 2016. Haning resigned his position on December 2, 2016, prior to his termination hearing.

The Ohio State Highway Patrol referred the matter to the Shelby County Prosecutor's Office for review. On December 16, 2016, the Shelby County Grand Jury returned an indictment charging Chad Haning with one count of theft in office, a felony of the fifth degree. On April 3, 2017, Haning entered a plea of guilty to one count of theft, a misdemeanor of the first degree.

OHIO DEPARTMENT OF TRANSPORTATION**FILE ID NO: 2015-CA00021**

On April 21, 2015, the Inspector General's Office received notification from the Ohio Department of Transportation (ODOT) Office of Investigative Services (OIS) concerning suspected falsification of documents related to 448 asphalt concrete testing. ODOT provided information that indicated employees in ODOT districts 8 and 11 had obtained a demonstrated pattern of results that were statistically improbable for 448 asphalt concrete tests. An engineer in the Division of Materials Management in ODOT District 6 identified the statistically impossible results. The engineer compiled and conducted a statistical analysis of the asphalt testing results for the 2014 statewide paving season and forwarded the results of his analysis to ODOT management, who subsequently forwarded the information to the Inspector General's Office for review. In April of 2015, the Inspector General's Office opened an investigation into the possible falsification of asphalt sieve test results conducted by Ohio Department of Transportation (ODOT) Division of Materials Management lab personnel.



Source: <http://www.dot.state.oh.us/Divisions/ConstructionMgt/Materials/asphalt>

During the course of the investigation, the Inspector General's Office found that a statistical analysis of asphalt test data for the 2014 paving season showed evidence that changes had been made during the asphalt testing process, required testing was not performed, and that irregularities were apparent in several ODOT districts. However, during meetings conducted by investigators, all district test lab employees interviewed claimed to have performed the testing properly.

The Inspector General's Office also found evidence that ODOT management did not follow existing policy by its investigation of a falsification complaint concerning an ODOT employee. ODOT District 11 was made aware of asphalt testing irregularities in early 2015 and subsequently investigated the actions of an employee. However, Central Office Human Resources was first made aware of the matter on April 14, 2015. In this instance, according to ODOT policy, forgery and falsification by an ODOT employee is specifically listed as a matter requiring management to immediately notify the department's chief legal counsel, who should then notify the governor's chief legal counsel, the Ohio Inspector General's Office, and the Ohio State Highway Patrol Office of Investigative Services.

Subsequently, as a result of this investigation, ODOT required test lab employees to attend additional training and an ethics review. ODOT also changed procedures so that during the 2015 paving season, testers were required to enter results of each testing step into a computerized testing program. Monitoring was instituted during the 2015 paving season and the resulting analysis of the asphalt test data showed a marked improvement over 2014, virtually eliminating all the statistically improbable testing results statewide.

OHIO DEPARTMENT OF TRANSPORTATION

FILE ID NO: 2016-CA00015

On April 6, 2016, the Inspector General's Office received a hand-delivered complaint letter from two state representatives concerning a Facebook notification posted on March 29, 2016, by Marietta City Councilmember Cindy Oxender. This post referenced six summer employment positions available with the Ohio Department of Transportation (ODOT) District 10. The complaint that was submitted to the Inspector General's Office included a copy of Oxender's Facebook post, which concluded with the statement, "Preference is given to Republican youth on this!" The complainants requested a review of the hiring and employment practices by ODOT district offices, particularly District 10, to determine if political affiliation is a factor in agency employment decisions. The Ohio Inspector General's Office opened an investigation on April 11, 2016.

The Inspector General's Office conducted numerous interviews, reviewed 10,591 emails from ODOT districts 10 and 5, and examined 2,054 documents related to temporary summer and intern applicant files. During interviews, ODOT administrators told investigators that ODOT had difficulty filling the positions available for transportation seasonal employment because of the lack of qualified applications received. Administrators added that political affiliation was not one of the criteria used to fill these ODOT positions, and noted that nearly all applicants who could pass the basic minimum requirements were being accepted. During the course of the investigation, investigators identified only two documents that contained any reference to political party affiliation.

The Inspector General's Office concluded that ODOT had properly disregarded any political affiliation information prior to making hiring decisions, and found no evidence to support ODOT considered political affiliation when hiring transportation seasonal positions.

[ODOT] Administrators added that political affiliation was not one of the criteria used to fill these ODOT positions, and noted that nearly all applicants who could pass the basic minimum requirements were being accepted.

OHIO DEPARTMENT OF TRANSPORTATION

FILE ID NO: 2016-CA00041

In October 2016, the Inspector General's Office initiated an investigation based upon an anonymous complaint alleging possible improper conduct by James Barna, chief engineer and assistant director for Transportation Policy, for the Ohio Department of Transportation (ODOT). The complaint alleged Barna was arriving late and leaving early during days and times he was scheduled to be at work for ODOT. The complainant questioned whether Barna was working 80 hours per pay period.

The Inspector General's Office reviewed and conducted a timecard analysis of James Barna's payroll records for the period of February 7, 2017, through April 20, 2017. Investigators reviewed current ODOT policies and procedures regarding timekeeping for its employees, and compared door access records, timecard records, and reviewed video surveillance archives to establish actual times Barna was at ODOT properties and working.

During a review of Barna's timecards, investigators observed some unique patterns involving the exact times he reported arriving to and departing from his ODOT work site. Investigators found that the times Barna reported "in" and "out" during his work days were either on the hour or on the half-hour. Investigators also noted that at no time during the period reviewed did Barna use a Kronos InTouch time-logging device, even though there were devices located at most entrances and exits, and by the elevators outside of Barna's office.

The Inspector General's Office interviewed ODOT employees who entered Barna's time into Kronos for him. An administrative assistant told investigators that for every two-week pay period, Barna provided her with hard copies of his weekly calendar with handwritten notes indicating the total number of hours he worked each day. The assistant noted that she was instructed by Barna to data-enter and submit his payroll, and explained that she data-entered Barna's two-week payroll either on the last Friday at the end of a payroll period or the following Monday after the end of a payroll period.



Barna acknowledged to investigators that ODOT Standard Procedure 220-007 applies to all ODOT employees, including himself. Barna did not deny that there were inconsistencies between his timecards and the hours that he was arriving to and leaving from work. Barna characterized to investigators the discrepancies in his time reporting as, "an oversight on my part." Barna acknowledged that during the period under review by the investigation, he did not use the Kronos InTouch device to accurately report his work times. Barna stated to investigators that going forward, he would comply with ODOT policy.

Investigators' analysis of the information revealed an overall discrepancy of 22 hours between the times Barna reported working and Barna's actual entrance and exit times indicated by door access records and video surveillance. The Inspector General's investigation concluded James Barna violated ODOT policies requiring employees to use timekeeping devices to report time, for failing to record accurate start and end times, and for permitting another employee to enter his time into the timekeeping system. Barna was counseled by ODOT as to the importance of maintaining accurate records.

Bureau of Workers' Compensation and Industrial Commission of Ohio

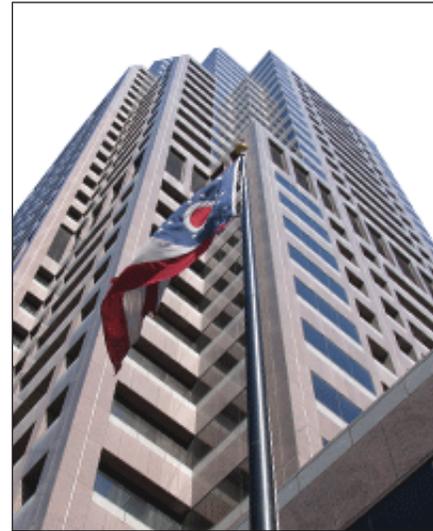
2017 Report

In July 2007, the Ohio General Assembly passed legislation that created the position of deputy inspector general for the Ohio Bureau of Workers' Compensation (OBWC) and the Industrial Commission of Ohio (ICO) within the Inspector General's Office. This legislation stated that the inspector general shall appoint a deputy inspector general, and the deputy inspector general shall serve at the pleasure of the inspector general.

The deputy inspector general is responsible for investigating wrongful acts or omissions that have been committed or are being committed by officers or employees of the Bureau of Workers' Compensation and the Industrial Commission. The deputy inspector general has the same powers and duties regarding matters concerning the bureau and the commission as those specified in Ohio Revised Code §121.42, §121.43, and §121.45.

In 1912, Ohio law created an exclusive state fund to provide workers' compensation benefits to workers who were unable to work due to a work-related injury. In Ohio, all companies or employers must have coverage from either state funds or be self-insured. The bureau manages 13 service offices, 14 facilities, and nearly 1,800 employees. Currently, the Ohio Bureau of Workers' Compensation system is the largest state-funded insurance system in the nation. According to the bureau's FY 2017 Annual Report, OBWC served 242,474 active employers, managed 704,756 injured workers' claims, and paid nearly \$1.5 billion in benefits to injured workers.

Since 1912, the Industrial Commission of Ohio is a separate adjudicatory agency whose mission is to serve injured workers and Ohio employers through prompt and impartial resolution of issues arising from workers' compensation claims and through the establishment of an adjudication policy. Hearings on disputed claims are conducted at three levels within the commission: the district level, staff level, and commission level. The governor appoints the three-member commission and the Ohio Senate confirms these appointments. By previous vocation, employment, or affiliation, one member must represent employees, one must represent employers, and one must



William Green Building
Ohio Bureau of Workers' Compensation
and Industrial Commission of Ohio
Source: <https://www.ic.ohio.gov/>

... [the ICO] mission is to serve injured workers and Ohio employers through prompt and impartial resolution of issues arising from workers' compensation claims and through the establishment of an adjudication policy.

represent the public. The Industrial Commission has nearly 350 employees and operates five regional offices and seven district offices throughout the state of Ohio. According to the commission's FY 2017 Annual Report, the three commissioners and 85 hearing officers collectively conducted 113,829 hearings within the fiscal year.

The Inspector General's Office meets annually with the OBWC board of directors' audit committee to inform the bureau on current inspector general activities and convey overviews of noteworthy investigations. The Inspector General's Office staff also attended many of the monthly OBWC board of directors' audit, investment, and actuarial committee meetings to receive updates on OBWC's divisional activities and OBWC's new initiatives.

In an effort to educate OBWC and ICO employees, the Inspector General's Office conducts outreach efforts to discuss the office's responsibilities, complaint and investigative processes, and relevant investigations. In 2017, the Inspector General's Office staff visited one OBWC service office and various OBWC and ICO departments to be available should employees want to discuss issues within those offices.

Endeavoring to identify areas of wrongdoing or appearances of impropriety, the Inspector General's Office continues to work jointly with various departments within OBWC, including Special Investigations, Digital Forensics Unit, Human Resources, Labor Relations, and Legal. The Inspector General's Office continues to meet periodically with



the OBWC Internal Audit Division to obtain an understanding of its internal controls, identify areas where internal controls are not working, and considers information obtained during these meetings when recommending whether an investigation should be initiated.

During 2017, the Inspector General's Office staff continued its practice of meeting periodically with the OBWC Investment, Finance, and Safety & Hygiene divisions to obtain an understanding of how OBWC investments are managed, financial activities are recorded, and to discuss activities by Division of Safety & Hygiene employees. Additionally, the Inspector General's Office worked closely with various departments within the Industrial Commission, including the Executive Director's Office, Hearing Services, Human Resources, Legal, and Information Technology.

In 2017, there were 10 cases opened and eight cases closed in the OBWC/ICO Area of the Inspector General's Office. As part of the lifespan of a case, the number of cases closed may reflect cases that were opened in previous years.

Summaries of Selected Cases - OBWC/ICO

OHIO BUREAU OF WORKERS' COMPENSATION

FILE ID NO: 2014-CA00015

The Inspector General's Office opened an investigation after receiving a complaint concerning the issuance of refunds by the Ohio Bureau of Workers' Compensation (OBWC) in November 2013 to Ohio's public universities for excess contributions paid to the Ohio State Insurance Fund. The complainant alleged that the OBWC Actuarial Division failed to consider \$46 million of unrecovered managed care organization costs (MCO) in its Public Employer State Agency (PES) program funding analysis. Had the unrecovered \$46 million been considered in the analysis, the PES program analysis would have shown a \$25 million negative balance and therefore, OBWC should not have issued the refunds.

The Inspector General's Office determined the PES program funding analysis was limited in scope to determine whether contributions from PES program participants were sufficient to fund payments for injured worker benefits paid to PES program participants' employees. This investigation further noted that in 2007, the then-OBWC administrator decided to not collect the approximate \$46 million of unrecovered MCO costs. Instead, OBWC began billing the PES program participants the MCO costs incurred by each agency for each year as of July 1, 2007. In addition, Ohio Administrative Code §4123-17-35 was amended to include a rate component for MCO costs effective July 1, 2007.



The complainant's second concern focused on a 2006 OBWC internal legal counsel opinion which stated that "... the collection of past MCO fees was likely limited to a one-year limit under R.C. 4123.40." Investigators determined that the Actuarial Division PES program funding analysis focused solely on the contributions for benefits paid to injured workers for PES program participants' employees and excluded MCO costs. The OBWC Actuarial Division chief stated to investigators that this 2006 legal opinion had no impact since the MCO costs were excluded from the PES program funding analysis.

The Inspector General's Office concluded that OBWC management returned the excess contributions either through future MCO rate reductions or through an issued refund check to the PES program participants in accordance with Ohio Revised Code §131.39.

However, the Inspector General's Office was unable to determine whether OBWC used an allowable source of funds within the Ohio State Insurance Fund as provided by Ohio Revised Code §4123.30 and §4123.40 to fund PES program MCO participant costs paid for fiscal years 1998 through 2007 or for benefit payments issued during periods when the PES program was in an overall deficit. This matter was referred to the Ohio Auditor of State for further consideration.

OHIO BUREAU OF WORKERS' COMPENSATION**FILE ID NO: 2016-CA00019**

On May 3, 2016, the Ohio Bureau of Workers' Compensation (OBWC) contacted the Inspector General's Office alleging Mansfield Service Office Claims Service Specialist Lina Dumbaugh improperly accessed an injured worker confidential personal information (CPI). OBWC reported it had identified 181 accesses during the period of May 1, 2015, through February 27, 2016, where Dumbaugh had accessed an injured worker's claim file in which John Donaldson was the injured worker's attorney. OBWC further reported that Dumbaugh had a close personal relationship with the injured worker's attorney, John "Jack" Donaldson, who owned Donaldson Law Office LPA.

The Inspector General's Office determined that between the period of October 1, 2013, through March 24, 2016, Dumbaugh had inappropriately accessed injured worker claim files in 61 instances. At the time of each access, neither Dumbaugh nor her team was assigned to the injured worker's claim file. It was further noted that Dumbaugh also failed to enter a note, as required by OBWC policy, to support a reason for her access. In each instance, OBWC Mansfield Service Office management were unable to determine a valid business reason for these accesses.

On May 4, 2016, OBWC alleged in a follow-up memo that Dumbaugh had accessed claim files of injured workers who were legally represented by Donaldson. Interviews conducted with OBWC management revealed that Dumbaugh had been given verbal guidance since at least 2000 and written guidance since May 19, 2015, that she was not permitted to access claims in which Donaldson was involved, and that before performing work in a claim, Dumbaugh was directed to verify that Donaldson was not the legal representative for that claim.

From: "Guarnera, Anthony" <Anthony>
Sent: 5/19/2015 3:28:50 PM
To: Dumbaugh, Lina
Cc:
Subject: Donaldson Law Offices
Attachments: [image001.jpg](#), [image002.png](#), [Scan001.pdf](#)

This email is to confirm that you and I discussed the attached letter. You have been diligent to ensure that you avoid working claims where Donaldson Law Offices are attached as the representative. While it is much easier when they are listed as the IW representative, we need to always check both the IW and employer representative screens.

Sherm reviewed this with Labor Relations and this notice is sufficient. Please be sure to always verify the representatives for both employer and injured worker.

Thanks

Anthony Guamera
Injury Management Supervisor
 Mansfield Service Office
 240 Tappan Dr N, Ste A
 Mansfield, OH 44906-1367

The Inspector General's Office determined 496 instances in which Dumbaugh had accessed injured worker claim files that had indicated John Donaldson was representing either an injured worker or employer. In many of these instances, investigators found that Dumbaugh had performed work in injured workers' claim files that she was or was not

assigned, accessed claim files without a business reason to do so, or accessed claim files after requesting reassignment of the claim.

Investigators also determined 46 instances of access in which Dumbaugh had opened a claim file on the same day or shortly after Donaldson filed an appeal on behalf of the injured worker or when an Industrial Commission of Ohio hearing notification or decision was mailed to the parties of the claim. Investigators further found Dumbaugh had accessed an injured worker's claim file a total of four times for an unknown reason shortly after payments totaling \$17,984 were issued to either Donaldson or his client.

Lastly, investigators determined 71 instances of access in which Dumbaugh had accessed claim files during the same time phone activity had occurred between Dumbaugh's personal cell phone and a phone number associated with Donaldson or his business. Investigators further determined 64 instances of access during the same time Donaldson used his OBWC user ID to access an injured worker's claim file and phone activity between Dumbaugh's personal cell phone and a phone number associated with Donaldson or his business.

... investigators found that Dumbaugh had performed work in injured workers' claim files that she was or was not assigned, accessed claim files without a business reason to do so, or accessed claim files after requesting reassignment of the claim.

Dumbaugh's actions created an appearance that certain injured worker claims received preferential treatment if the injured worker or employer was represented by Donaldson. These actions are contrary to the provisions of OBWC's policy 1.01 Code of Ethics.

During the course of this investigation, the Inspector General's Office consulted with the Ohio Ethics Commission. The Inspector General's Office also forwarded this report of investigation to the City of Mansfield law director for consideration. On January 2, 2018, OBWC terminated Dumbaugh's employment.

**OHIO BUREAU OF WORKERS' COMPENSATION
OHIO DEPARTMENT OF COMMERCE
FILE ID NO: 2016-CA00048**

In late 2014, the Ohio Bureau of Workers' Compensation (OBWC) and the Ohio Department of Commerce (ODOC) entered into a memorandum of understanding for the allocation of \$1 million of OBWC Division of Safety & Hygiene funds to the ODOC to pay for firefighting training to eligible participants. The memorandum of understanding identified the courses to be offered, eligibility requirements for

Ohio Bureau
of Workers'
Compensation

Ohio Department of
Commerce

participants, and reporting requirements for ODOC to OBWC.

In December 2016, the Inspector General's Office initiated an investigation to determine whether OBWC Division of Safety & Hygiene funds were spent appropriately by ODOC. The Inspector General's Office reviewed and analyzed documentation provided by OBWC, ODOC, and course provider Clark State Community College and conducted interviews to determine whether OBWC Division of Safety & Hygiene funds allocated to ODOC were spent in accordance with the memorandum of understanding. Based on the initial and final rosters received from the course providers, investigators determined the payments issued by ODOC were adequately supported by the documentation provided. However, after completing this analysis, and conducting further interviews and a review of additional documents, investigators found:



- OBWC did not verify that the courses reflected on the initial rosters for eligibility determination were the courses described in the memorandum of understanding during the period the funds were being expended.
- ODOC or OBWC did not obtain sufficient documentation from the course providers to support that the course rate reflected on the final rosters was the actual amount charged to the participants, thereby ensuring the courses were provided at no cost to the participants as described in the memorandum of understanding.
- OBWC did not monitor the payments issued by ODOC to ensure that they received the final roster supporting those payments as required by the memorandum of understanding.
- OBWC did not reconcile the class participant rosters received from ODOC to payments issued by ODOC to ensure the course provider received payment for only those participants identified as eligible.
- ODOC Financial Program staff did not satisfy the requirements of the memorandum of understanding when the department did not provide OBWC with a copy of the final participant roster received from the course provider.

The Inspector General's Office made a series of recommendations to OBWC and ODOC regarding their adherence and compliance to all requirements specified in future memoranda of understandings entered into by the bureau and department. The Inspector General's Office also referred the report to the Ohio Auditor of State for consideration.

Professional Involvement in the Community

2017 Targeting Fraud – Safeguarding Integrity Conference

Each November, in observance of National Fraud Awareness Week, the Inspector General’s Office, in partnership with Franklin University, the National White-Collar Crime Center (NW3C), the Ohio Ethics Commission, and the Ohio Investigators Association has presented a two-day training conference entitled *Targeting Fraud – Safeguarding Integrity*. For six years, the conference has identified a wide spectrum of topics that have captured the critical and complex facets of fraud, waste, and abuse. The *Targeting Fraud – Safeguarding Integrity* conference has increasingly grown in attendance each year, attracting participants from Ohio and other states in the Midwest, expanding the committee’s efforts to share knowledge with organizations and institutions, and foster ties with many investigative entities.

This event, which was held on November 8th and 9th, featured 11 speakers with real life experiences relevant to fraud and the investigative process. Several notable speakers presented, including Maureen Downey who examined the topical issue of wine fraud, authenticating vintages, and identifying counterfeits; Bret Hood who explored the psychological behaviors investigators need to know when interviewing suspected fraudsters; and Howard Schwartz who surveyed the egregious government corruption associated with Hurricane Katrina, the city of New Orleans, and its former mayor, Ray Nagin.

Planning for the 2018 *Targeting Fraud – Safeguarding Integrity Conference* is underway and is slated to be held on November 7th and 8th.



Buckeye Boys Staters Explore the Democratic Process

Buckeye Boys State (BBS) is a practical “hands-on” immersive exercise offered to high school students to explore the democratic process and examine its relationship to political parties and how these institutions impact Ohio government. The event is sponsored by the Ohio Chapter of the American Legion and hosted by Miami University in Oxford, Ohio. In June 2017, the Inspector General’s Office continued its proud tradition of participating in Buckeye Boys State. Deputy Inspector General Becky Wolcott spent a day advising a BBS contingent of eight young men on how to establish a working inspector general’s office, defining its duties, and conducting investigations. The student who served as the BBS inspector general informed the Ohio inspector general that during the four-day event, he and his fellow students had conducted several investigations, producing 12 reports. The report summaries highlighted investigations related to ethics violations and government employees creating an illegal fund using taxpayer money. The BBS Inspector General’s Office was deemed by BBS’ officials as one of the most productive agencies working during the event, and the BBS inspector general was presented with the Outstanding Citizen Award.



Inspector General Hosts Kent State Students

For seven years, the Inspector General’s Office has met with Dr. Vernon Sykes and a select group of students with Kent State University’s Columbus Program in State Issues (CPSI). CPSI offers students from different academic disciplines the opportunity to serve as interns at the state capitol, affording them the chance to explore the option of public service as a career choice. CPSI participants gain real-world experience and a deepened understanding of state governance and the prospect to develop professional contacts and attain valuable pre-career skills. On October 2, 2017, Inspector General Meyer presented to 24 Kent State students an overview of his office’s important mission and its duty to preserve the public’s trust in state government. He demonstrated his office’s responsibility investigating public corruption and misconduct by citing several examples of significant investigations conducted by the office.



International Dignitaries Visit the Inspector General's Office

In 2017, continuing its working partnership with the International Visitors Council (IVC) of Columbus, Inspector General Meyer met with 18 delegates representing four countries: Colombia, India, Pakistan, and Serbia. The International Visitors Council of Columbus, which is affiliated with the U. S. Department of State, organizes the chance for international government officials to visit the Central Ohio area and meet with state government officials. IVC's mission is "... to build partnerships between Central Ohioans and citizens of other countries that strengthen democratic ideals encourage economic development and promote cultural understanding through the exchange of knowledge and ideas."

During these meetings, Inspector General Meyer discussed with the delegates the important role of the office and its mission to investigate corruption and preserve government accountability. Inspector General Meyer underscored the value of his office's reports of investigation and how they influence the establishment of improved administrative policies and procedures used in state government, promoting integrity in its public servants. Additionally, Inspector General Meyer expressed to the delegates how the office's legislated responsibility to combat corruption can serve as a model of what could be established in their respective countries. Since 2012, the Inspector General's Office has met with 159 delegates representing 17 countries.



Carl A. Enslin (1956-2017)

I would like to take a moment to celebrate the remembrance of a dear friend and colleague who passed away on August 12, 2017. Carl Enslin served the Inspector General's Office as a deputy inspector general for almost seven years. He was a valued and dedicated member of the IGO team, who contributed to the office in countless capacities including media relations, editing reports of investigation, and proffering sage advice. Carl believed in hard work, prudence, and responsibility. He was truly an outstanding employee. But for me and the other staff members of the IGO, he will be remembered for his funny stories no matter how long, his even-tempered and sympathetic ear while sipping a good cup of coffee, and his infectious laugh and kind gratitude towards others regardless of the day or situation.



There was never a day when Carl's presence went unnoticed and there isn't a day since his passing that his absence isn't felt. He left a personal and professional void for all of us, and just knowing him was an honor and privilege.

Rowell J. J.

Appendices

Appendix 1: Statutory References

OHIO REVISED CODE

The following are Ohio Revised Code sections relating to the powers and duties of the Ohio Inspector General:

- 121.41 Definitions
- 121.42 Powers and Duties of the Inspector General
- 121.421 Inspection of employees of the office of attorney general contractually vested with duties to enforce Ohio casino control commission
- 121.43 Subpoena power – contempt
- 121.44 Reports of investigation
- 121.45 Cooperating in investigations
- 121.46 Filing of complaint
- 121.47 Confidential information
- 121.48 Appointment of Inspector General
- 121.481 Special investigations fund
- 121.482 Disposition of money received
- 121.483 Deputy inspector general as peace officer
- 121.49 Qualifications
- 121.50 Administrative rules
- 121.51 Deputy inspector general for transportation department
- 121.52 Deputy inspector general for workers' compensation

121.41 Definitions

As used in sections 121.41 to 121.50 of the Revised Code:

- (A) “Appropriate ethics commission” has the same meaning as in section 102.01 of the Revised Code.
- (B) “Appropriate licensing agency” means a public or private entity that is responsible for licensing, certifying, or registering persons who are engaged in a particular vocation.
- (C) “Person” has the same meaning as in section 1.59 of the Revised Code and also includes any officer or employee of the state or any political subdivision of the state.
- (D) “State agency” has the same meaning as in section 1.60 of the Revised Code and includes the Ohio casino control commission, but does not include any of the following:
 - (1) The general assembly;
 - (2) Any court;
 - (3) The secretary of state, auditor of state, treasurer of state, or attorney general and their respective offices.

(E) “State employee” means any person who is an employee of a state agency, or any person who does business with the state including, only for the purposes of sections 121.41 to 121.50 of the Revised Code, the nonprofit corporation formed under section 187.01 of the Revised Code.

(F) “State officer” means any person who is elected or appointed to a public office in a state agency.

(G) “Wrongful act or omission” means an act or omission, committed in the course of office holding or employment, that is not in accordance with the requirements of law or such standards of proper governmental conduct as are commonly accepted in the community and thereby subverts, or tends to subvert, the process of government.

121.42 Powers and Duties of the Inspector General

The inspector general shall do all of the following:

(A) Investigate the management and operation of state agencies on his own initiative in order to determine whether wrongful acts and omissions have been committed or are being committed by state officers or state employees;

(B) Receive complaints under section 121.46 of the Revised Code alleging wrongful acts and omissions, determine whether the information contained in those complaints allege facts that give reasonable cause to investigate, and, if so, investigate to determine if there is reasonable cause to believe that the alleged wrongful act or omission has been committed or is being committed by a state officer or state employee;

(C) Except as otherwise provided in this division, contemporaneously report suspected crimes and wrongful acts or omissions that were or are being committed by state officers or state employees to the governor and to the appropriate state or federal prosecuting authority with jurisdiction over the matter if there is reasonable cause to believe that a crime has occurred or is occurring. In addition, the inspector general shall report the wrongful acts or omissions, as appropriate under the circumstances, to the appropriate ethics commission in accordance with section 102.06 of the Revised Code, the appropriate licensing agency for possible disciplinary action, or the state officer’s or state employee’s appointing authority for possible disciplinary action. The inspector general shall not report a wrongful act or omission to a person as required by this division if that person allegedly committed or is committing the wrongful act or omission.

(D) Except as otherwise provided in this division, contemporaneously report suspected crimes and wrongful acts or omissions that the inspector general becomes aware of in connection with an investigation of a state agency, state officer, or state employee, and that were or are being committed by persons who are not state officers or state employees to the governor and to the appropriate state or federal prosecuting authority with jurisdiction over the matter if there is reasonable cause to believe that a crime has occurred or is occurring. In addition, the inspector general shall report the wrongful acts or omissions, as appropriate under the circumstances, to the appropriate ethics commission in accordance with section 102.06 of the Revised Code, the appropriate licensing agency for possible disciplinary action, or the person’s public or private employer for possible disciplinary action. The inspector

general shall not report a wrongful act or omission to a person as required by this division if that person allegedly committed or is committing the wrongful act or omission.

(E) Prepare a detailed report of each investigation that states the basis for the investigation, the action taken in furtherance of the investigation, and whether the investigation revealed that there was reasonable cause to believe that a wrongful act or omission had occurred. If a wrongful act or omission was identified during the investigation, the report shall identify the person who committed the wrongful act or omission, describe the wrongful act or omission, explain how it was detected, indicate to whom it was reported, and describe what the state agency in which the wrongful act or omission was being committed is doing to change its policies or procedures to prevent recurrences of similar wrongful acts or omissions.

(F) Identify other state agencies that also are responsible for investigating, auditing, reviewing, or evaluating the management and operation of state agencies, and negotiate and enter into agreements with these agencies to share information and avoid duplication of effort;

(G) For his own guidance and the guidance of deputy inspectors general, develop and update in the light of experience, both of the following:

(1) Within the scope of the definition in division (G) of section 121.41 of the Revised Code, a working definition of “wrongful act or omission”;

(2) A manual of investigative techniques.

(H) Conduct studies of techniques of investigating and detecting, and of preventing or reducing the risk of, wrongful acts and omissions by state officers and state employees;

(I) Consult with state agencies and advise them in developing, implementing, and enforcing policies and procedures that will prevent or reduce the risk of wrongful acts and omissions by their state officers or state employees;

(J) After detecting a wrongful act or omission, review and evaluate the relevant policies and procedures of the state agency in which the wrongful act or omission occurred, and advise the state agency as to any changes that should be made in its policies and procedures so as to prevent recurrences of similar wrongful acts or omissions.

121.421 Inspection of employees of the office of attorney general contractually vested with duties to enforce Ohio casino control commission

(A) Notwithstanding division (D)(3) of section 121.41 of the Revised Code, in order to determine whether wrongful acts or omissions have been committed or are being committed by present or former employees, the inspector general shall investigate employees of the office of the attorney general who are contractually vested with duties to enforce Chapter 3772. of the Revised Code, including any designated bureau of criminal identification and investigation support staff that are necessary to fulfill the investigatory and law enforcement functions of the Ohio casino control commission. The inspector general and any deputy inspector general may administer oaths, examine witnesses under oath, and issue subpoenas and subpoenas duces tecum to employees of the office of the attorney general to compel the attendance

of witnesses and the production of all kinds of books, records, papers, and tangible things deemed necessary in the course of any such investigation.

(B) The inspector general may enter into any contracts that are necessary to complete an investigation. The contracts may include contracts for the services of persons who are experts in a particular field and whose expertise is necessary for successful completion of the investigation.

(C) If the authority of the attorney general terminates or expires, the authority vested in the inspector general by this section terminates upon the conclusion of ongoing investigations or upon issuance of the final report of the investigations.

121.43 Subpoena power - contempt

In performing any investigation, the inspector general and any deputy inspector general may administer oaths, examine witnesses under oath, and issue subpoenas and subpoenas duces tecum to compel the attendance of witnesses and the production of all kinds of books, records, papers, and tangible things. Upon the refusal of a witness to be sworn or to answer any question put to him, or if a person disobeys a subpoena, the inspector general shall apply to the court of common pleas for a contempt order, as in the case of disobedience to the requirements of a subpoena issued from the court of common pleas, or a refusal to testify in the court.

121.44 Reports of investigations

(A) Except as otherwise provided in this section, the report of any investigation conducted by the inspector general or any deputy inspector general is a public record, open to public inspection. The inspector general, or a deputy inspector general, with the written approval of the inspector general, may designate all or part of a report as confidential if doing so preserves the confidentiality of matters made confidential by law or appears reasonably necessary to protect the safety of a witness or to avoid disclosure of investigative techniques that, if disclosed, would enable persons who have been or are committing wrongful acts or omissions to avoid detection. Confidential material shall be marked clearly as being confidential.

(B) The inspector general, free of charge, shall provide a copy of each report of an investigation, including wholly and partially confidential reports, to the governor. In addition, the inspector general, free of charge, shall provide a copy of the report of any investigation, including wholly and partially confidential reports, to a prosecuting authority who may undertake criminal prosecution of a wrongful act or omission described in the report, an ethics commission to which a wrongful act or omission described in the report was reported in accordance with section 102.06 of the Revised Code, and a licensing agency, appointing authority, or public or private employer that may take disciplinary action with regard to a wrongful act or omission described in the report. The inspector general shall not provide a copy of any confidential part of the report of an investigation to a person as required by this division if that person allegedly committed the wrongful act or omission described in the report. The governor, a prosecuting authority, ethics commission, licensing agency, appointing authority, or public or private employer that receives a report,

all or part of which is designated as confidential, shall take all appropriate measures necessary to preserve the confidentiality of the report.

(C) The inspector general shall provide a copy of any nonconfidential report, or the nonconfidential parts of any report, to any other person who requests the copy and pays a fee prescribed by the inspector general. The fee shall not exceed the cost of reproducing and delivering the report.

121.45 Cooperating in investigations

Each state agency, and every state officer and state employee, shall cooperate with, and provide assistance to, the inspector general and any deputy inspector general in the performance of any investigation. In particular, each state agency shall make its premises, equipment, personnel, books, records, and papers readily available to the inspector general or a deputy inspector general.

The inspector general and any deputy inspector general may enter upon the premises of any state agency at any time, without prior announcement, if necessary to the successful completion of an investigation. In the course of an investigation, the inspector general and any deputy inspector general may question any state officer or state employee serving in, and any other person transacting business with, the state agency, and may inspect and copy any books, records, or papers in the possession of the state agency, taking care to preserve the confidentiality of information contained in responses to questions or the books, records, or papers that is made confidential by law.

In performing any investigation, the inspector general and any deputy inspector general shall avoid interfering with the ongoing operations of the state agency being investigated, except insofar as is reasonably necessary to the successful completion of the investigation.

Each state agency shall develop, implement, and enforce policies and procedures that prevent or reduce the risk of wrongful acts and omissions by its state officers or state employees.

Other state agencies that also are responsible for investigating, auditing, reviewing, or evaluating the management and operation of state agencies shall negotiate and enter into agreements with the office of the inspector general for the purpose of sharing information and avoiding duplication of effort.

121.46 Filing of complaint

Any person who knows or has reasonable cause to believe that a state officer or state employee has committed, or is in the process of committing, a wrongful act or omission may prepare and file with the inspector general, a complaint that identifies the person making the report and the state officer or state employee who allegedly committed or is committing the wrongful act or omission, describes the wrongful act or omission, and explains how the person reporting knew or came to his reasonable cause to believe that the state officer or state employee committed or is in the process of committing the wrongful act or omission.

The preparation and filing of the complaint described in this section is in addition to any other report of the wrongful act or omission the person is required by law to make. The inspector general shall prescribe a form for complaints under this section. The inspector general shall provide a blank copy of the form to any person, free of charge. No complaint is defective, however, because it is not made on the form prescribed by the inspector general.

121.47 Confidential information

No person shall disclose to any person who is not legally entitled to disclosure of the information, any information that is designated as confidential under section 121.44 of the Revised Code, or any confidential information that is acquired in the course of an investigation under section 121.45 of the Revised Code.

121.48 Appointment of Inspector General

There is hereby created the office of the inspector general, to be headed by the inspector general.

The governor shall appoint the inspector general, subject to section 121.49 of the Revised Code and the advice and consent of the senate. The inspector general shall hold office for a term coinciding with the term of the appointing governor. The governor may remove the inspector general from office only after delivering written notice to the inspector general of the reasons for which the governor intends to remove the inspector general from office and providing the inspector general with an opportunity to appear and show cause why the inspector general should not be removed.

In addition to the duties imposed by section 121.42 of the Revised Code, the inspector general shall manage the office of the inspector general. The inspector general shall establish and maintain offices in Columbus.

The inspector general may employ and fix the compensation of one or more deputy inspectors general. Each deputy inspector general shall serve for a term coinciding with the term of the appointing inspector general, and shall perform the duties, including the performance of investigations, that are assigned by the inspector general. All deputy inspectors general are in the unclassified service and serve at the pleasure of the inspector general.

In addition to deputy inspectors general, the inspector general may employ and fix the compensation of professional, technical, and clerical employees that are necessary for the effective and efficient operation of the office of the inspector general. All professional, technical, and clerical employees of the office of the inspector general are in the unclassified service and serve at the pleasure of the appointing inspector general.

The inspector general may enter into any contracts that are necessary to the operation of the office of the inspector general. The contracts may include, but are not limited to, contracts for the services of persons who are experts in a particular field and whose expertise is necessary to the successful completion of an investigation.

Not later than the first day of March in each year, the inspector general shall publish an annual report summarizing the activities of the inspector general's office during the previous calendar year. The annual report shall not disclose the results of any investigation insofar as the results are designated as confidential under section 121.44 of the Revised Code.

The inspector general shall provide copies of the inspector general's annual report to the governor and the general assembly. The inspector general also shall provide a copy of the annual report to any other person who requests the copy and pays a fee prescribed by the inspector general. The fee shall not exceed the cost of reproducing and delivering the annual report.

121.481 Special investigations fund

The special investigations fund is hereby created in the state treasury for the purpose of paying costs of investigations conducted by the inspector general. In response to requests from the inspector general, the controlling board may make transfers to the fund from the emergency purposes appropriation of the board, subject to the following conditions:

- (A) The inspector general shall not request a transfer that would cause the unobligated, unencumbered balance in the fund to exceed one hundred thousand dollars at any one time;
- (B) In requesting a transfer, the inspector general shall not disclose any information that would risk impairing the investigation if it became public, provided that after any investigation using money transferred to the fund from an emergency purposes appropriation has been completed, the inspector general shall report to the board the object and cost of the investigation, but not any information designated as confidential under section 121.44 of the Revised Code.

121.482 Disposition of money received

Money the inspector general receives pursuant to court orders or settlements shall be deposited into the state treasury to the credit of the general revenue fund.

121.483 Deputy inspector general as peace officer

A deputy inspector general appointed under section 121.48 of the Revised Code, who has been awarded a certificate by the executive director of the Ohio peace officer training commission attesting to the person's satisfactory completion of an approved state, county, or municipal peace officer basic training program, shall, during the term of the deputy inspector general's appointment, be considered a peace officer for the purpose of maintaining a current and valid basic training certificate pursuant to rules adopted under section 109.74 of the Revised Code.

121.49 Qualifications

- (A) Subject to division (B) of this section, only an individual who meets one or more of the following qualifications is eligible to be appointed inspector general:

- (1) At least five years experience as a law enforcement officer in this or any other state;
 - (2) Admission to the bar of this or any other state;
 - (3) Certification as a certified public accountant in this or any other state;
 - (4) At least five years service as the comptroller or similar officer of a public or private entity in this or any other state.
- (B) No individual who has been convicted, in this or any other state, of a felony or of any crime involving fraud, dishonesty, or moral turpitude shall be appointed inspector general.

121.50 Administrative rules

The inspector general, in accordance with Chapter 119 of the Revised Code, shall adopt, and may amend and rescind, those rules he finds necessary for the successful implementation and efficient operation of sections 121.41 to 121.48 of the Revised Code.

121.51 Deputy inspector general for transportation department

There is hereby created in the office of the inspector general the position of deputy inspector general for the department of transportation. The inspector general shall appoint the deputy inspector general, and the deputy inspector general shall serve at the pleasure of the inspector general. A person employed as the deputy inspector general shall have the same qualifications as those specified in section 121.49 of the Revised Code for the inspector general. The inspector general shall provide technical, professional, and clerical assistance to the deputy inspector general.

There is hereby created in the state treasury the deputy inspector general for ODOT fund. The fund shall consist of money credited to the fund for the payment of costs incurred by the deputy inspector general in performing the duties of the deputy inspector general as specified in this section. The inspector general shall use the fund to pay costs incurred by the deputy inspector general in performing the duties of the deputy inspector general as required under this section.

The deputy inspector general shall investigate all wrongful acts or omissions that have been committed or are being committed by employees of the department. In addition, the deputy inspector general shall conduct a program of random review of the processing of contracts associated with building and maintaining the state's infrastructure. The random review program shall be designed by the inspector general. The program shall be confidential and may be altered by the inspector general at any time. The deputy inspector general has the same powers and duties regarding matters concerning the department as those specified in sections 121.42, 121.43, and 121.45 of the Revised Code for the inspector general. Complaints may be filed with the deputy inspector general in the same manner as prescribed for complaints filed with the inspector general under section 121.46 of the Revised Code. All investigations conducted and reports issued by the deputy inspector general are subject to section 121.44 of the Revised Code.

All officers and employees of the department shall cooperate with and provide assistance to the deputy inspector general in the performance of any investigation conducted by the deputy inspector general. In particular, those persons shall make their premises, equipment, personnel, books, records, and papers readily available to the deputy inspector general. In the course of an investigation, the deputy inspector general may question any officers or employees of the department and any person transacting business with the department and may inspect and copy any books, records, or papers in the possession of the department, taking care to preserve the confidentiality of information contained in responses to questions or the books, records, or papers that are made confidential by law. In performing any investigation, the deputy inspector general shall avoid interfering with the ongoing operations of the department, except insofar as is reasonably necessary to complete the investigation successfully.

At the conclusion of an investigation by the deputy inspector general, the deputy inspector general shall deliver to the director of transportation and the governor any case for which remedial action is necessary. The deputy inspector general shall maintain a public record of the activities of the deputy inspector general to the extent permitted under this section, ensuring that the rights of the parties involved in each case are protected. The inspector general shall include in the annual report required by section 121.48 of the Revised Code a summary of the deputy inspector general's activities during the previous year.

No person shall disclose any information that is designated as confidential in accordance with section 121.44 of the Revised Code or any confidential information that is acquired in the course of an investigation conducted under this section to any person who is not legally entitled to disclosure of that information.

121.52 Deputy inspector general for workers' compensation

There is hereby created in the office of the inspector general the office of deputy inspector general for the bureau of workers' compensation and industrial commission. The inspector general shall appoint the deputy inspector general, and the deputy inspector general shall serve at the pleasure of the inspector general. A person employed as the deputy inspector general shall have the same qualifications as those specified in section 121.49 of the Revised Code for the inspector general. The inspector general shall provide professional and clerical assistance to the deputy inspector general.

The deputy inspector general for the bureau of workers' compensation and the industrial commission shall investigate wrongful acts or omissions that have been committed by or are being committed by officers or employees of the bureau of workers' compensation and the industrial commission. The deputy inspector general has the same powers and duties regarding matters concerning the bureau and the commission as those specified in sections 121.42, 121.43, and 121.45 of the Revised Code for the inspector general. Complaints may be filed with the deputy inspector general in the same manner as prescribed for complaints filed with the inspector general under section 121.46 of the Revised Code. All investigations

conducted and reports issued by the deputy inspector general are subject to section 121.44 of the Revised Code.

There is hereby created in the state treasury the deputy inspector general for the bureau of workers' compensation and industrial commission fund, which shall consist of moneys deposited into it that the inspector general receives from the administrator of workers' compensation and receives from the industrial commission in accordance with this section. The inspector general shall use the fund to pay the costs incurred by the deputy inspector general in performing the duties of the deputy inspector general as required under this section.

The members of the industrial commission, bureau of workers' compensation board of directors, workers' compensation audit committee, workers' compensation actuarial committee, and workers' compensation investment committee, and the administrator, and employees of the industrial commission and the bureau shall cooperate with and provide assistance to the deputy inspector general in the performance of any investigation conducted by the deputy inspector general. In particular, those persons shall make their premises, equipment, personnel, books, records, and papers readily available to the deputy inspector general. In the course of an investigation, the deputy inspector general may question any person employed by the industrial commission or the administrator and any person transacting business with the industrial commission, the board, the audit committee, the actuarial committee, the investment committee, the administrator, or the bureau and may inspect and copy any books, records, or papers in the possession of those persons or entities, taking care to preserve the confidentiality of information contained in responses to questions or the books, records, or papers that are made confidential by law.

In performing any investigation, the deputy inspector general shall avoid interfering with the ongoing operations of the entities being investigated, except insofar as is reasonably necessary to successfully complete the investigation.

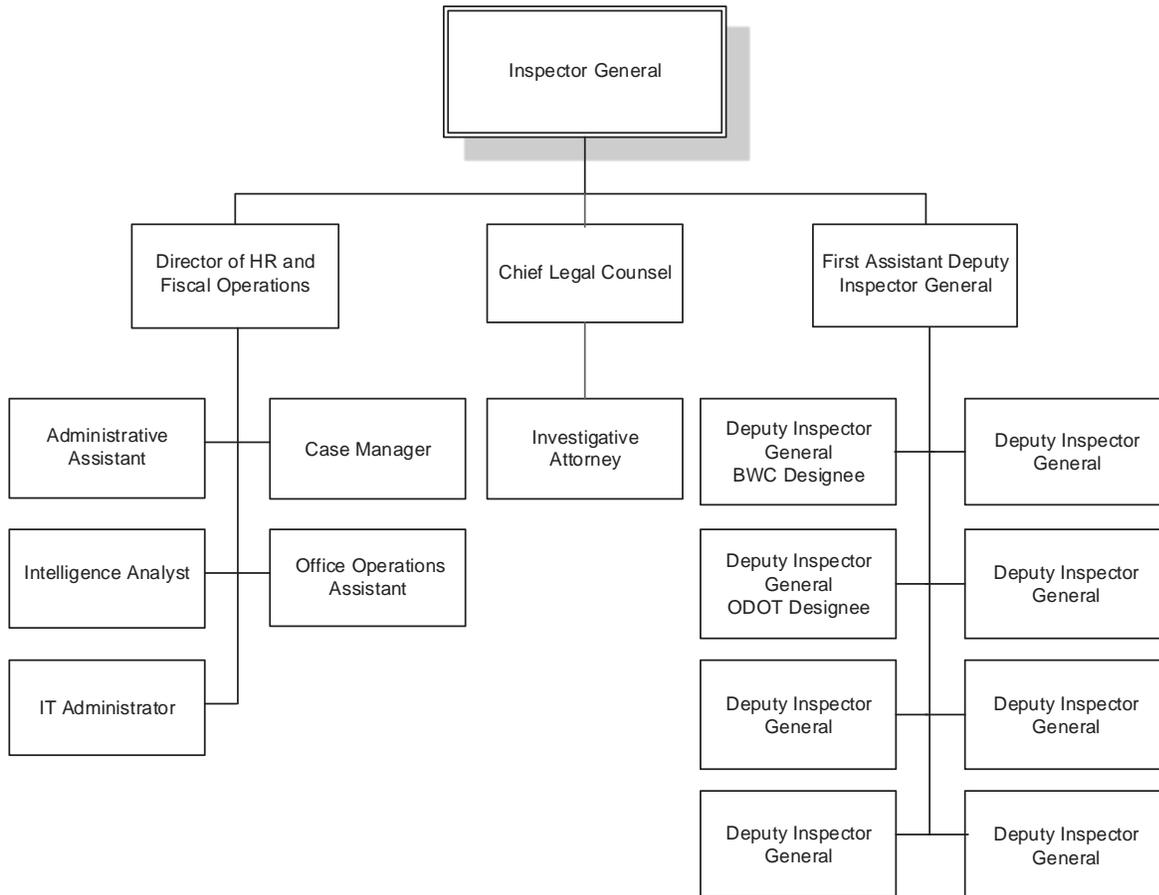
At the conclusion of an investigation conducted by the deputy inspector general for the bureau of workers' compensation and industrial commission, the deputy inspector general shall deliver to the board, the administrator, the industrial commission, and the governor any case for which remedial action is necessary. The deputy inspector general shall maintain a public record of the activities of the office of the deputy inspector general to the extent permitted under this section, ensuring that the rights of the parties involved in each case are protected. The inspector general shall include in the annual report required under section 121.48 of the Revised Code a summary of the activities of the deputy inspector general during the previous year.

No person shall disclose any information that is designated as confidential in accordance with section 121.44 of the Revised Code or any confidential information that is acquired in the course of an investigation conducted under this section to any person who is not legally entitled to disclosure of that information.

Table of Organization

Appendix 2: Table of Organization

Office of the Ohio Inspector General Organizational Chart



Contact Information

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