

OFFICE OF THE
OHIO INSPECTOR GENERAL

2018 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 615 reports of investigation resulting in 77 criminal charges, issued more than 900 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 returned 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 senior 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 certified as an inspector general from the Association of Inspectors General. Meyer also has a fraud examiner certification from the Association of Certified Fraud Examiners, and is a certified instructor for both the National White Collar Crime Center 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 Center 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

I am pleased to present the Office of the Ohio Inspector General's 2018 Annual Report. This report is submitted to the governor and members of the 133rd 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, 2018, through December 31, 2018. At the end of the year, 45 cases were closed and released, and more than 280 complaints were received and assessed; of which, 49 new cases were opened.



RANDALL J. MEYER
INSPECTOR GENERAL

Several important investigations that were conducted this year identified various issues with the procurement practices of the state of Ohio. It became apparent that the state's procurement practices did not align with established procurement processes that afford fair and equitable opportunities for vendors. Specifically, contracts were routinely awarded by the state of Ohio to the same companies and individuals year after year with disregard to established competitive bid processes. My office uncovered millions of dollars paid to IT contracts with vendors who had undue influence in the state's bidding processes and state procurement staff who did not follow the rules and policies that regulate purchasing for the state of Ohio. This lack of effective procurement integrity controls compromises the fair, open, and honest marketplace in which businesses compete. It is essential that the state of Ohio provide a level playing field for all its vendors.

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

TABLE OF CONTENTS

Mission and Responsibilities.....	1
Conducting an Investigation.....	2
Filing a Complaint.....	3
Types of Allegations.....	4
2018 Statistical Summary	6
Report from the Inspector General for the General Area.....	8
A Focus on Procurement	9
Summaries of Selected Cases.....	9
Summaries of Selected Cases - General	17
Report from the Inspector General for the Ohio Department of Transportation.....	31
Summaries of Selected Cases.....	32
Report from the Inspector General for the Ohio Bureau of Workers' Compensation and Industrial Commission	36
Summaries of Selected Cases.....	38
Professional Involvement in the Community	42
APPENDICES	45
Appendix 1: Statutory References.....	45
Appendix 2: Table of Organization.....	55
CONTACT INFORMATION	56

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 for investigators to verify the information provided or ask additional questions.

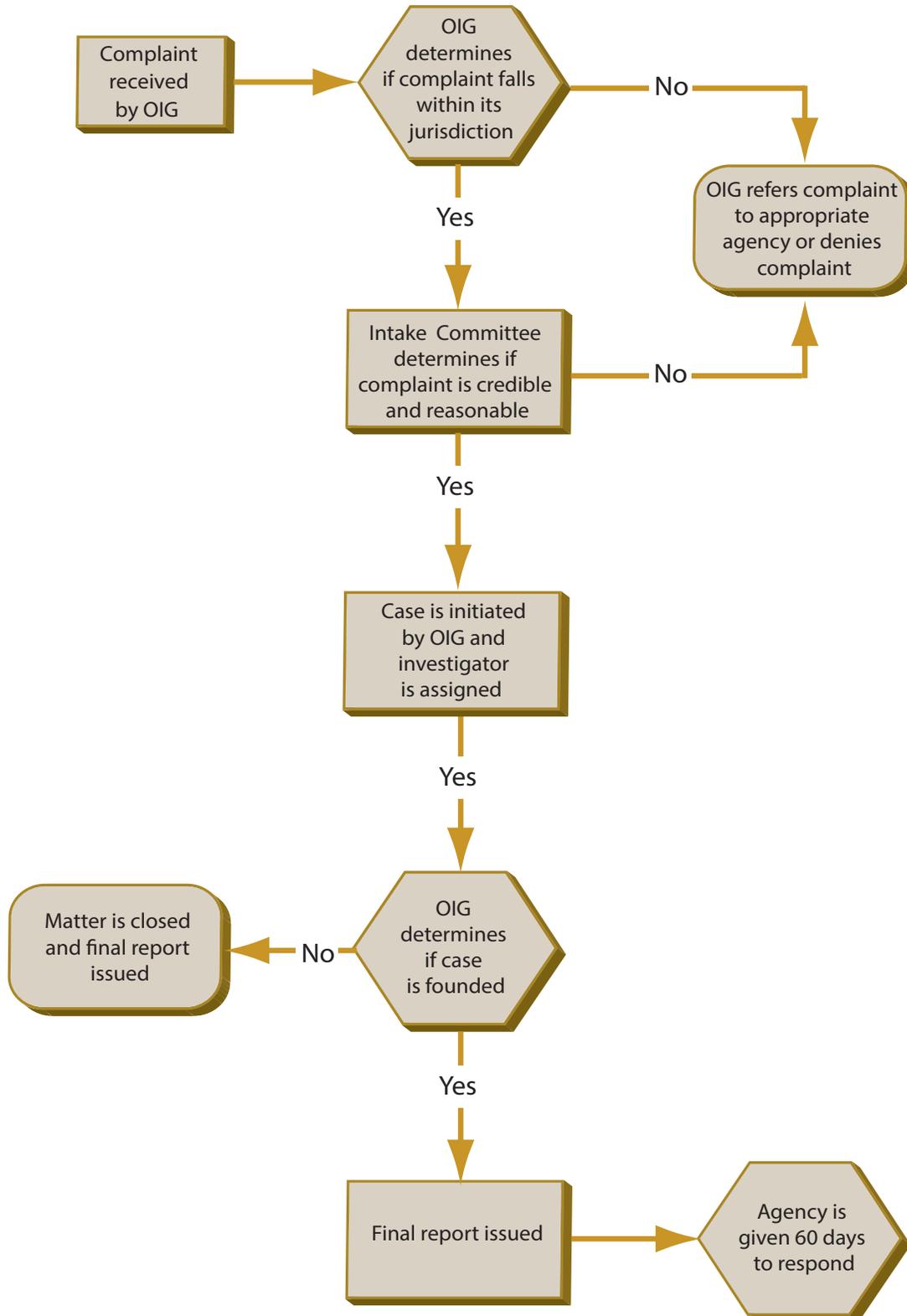
The inspector general may grant complainants or witnesses confidentiality. When appropriate, information received from complainants and witnesses may also be deemed "confidential." Confidentiality is appropriate when it is necessary to protect a witness. It is also appropriate in cases where the information 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.

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 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 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 be discovered 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

2018 STATISTICAL SUMMARY

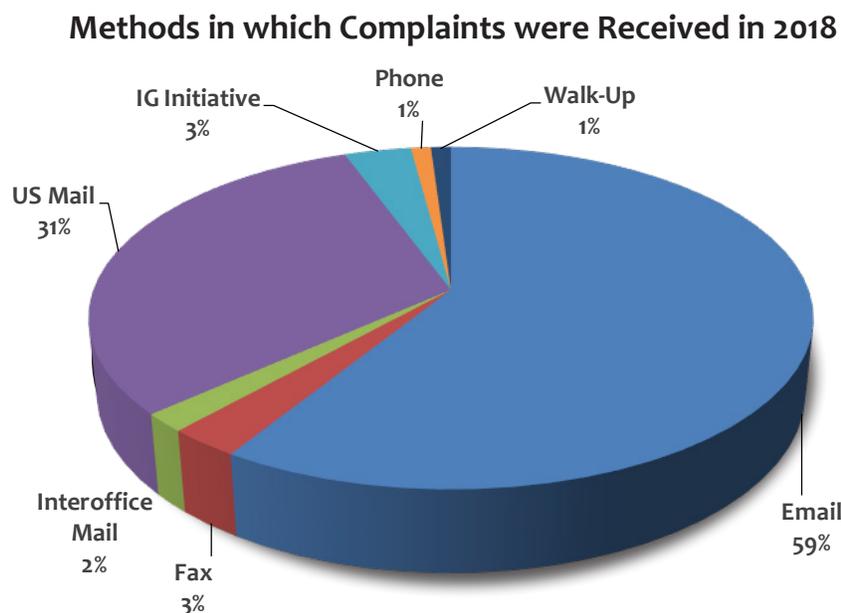
The Inspector General's Office received a total of 287 complaints in 2018. From 1990 through 2018, more than 8,400 complaints have been reviewed.

2018 Complaint Status				
	<u>GENERAL</u>	<u>ODOT</u>	<u>OBWC/ICO</u>	<u>ALL</u>
Cases Opened ¹	33	7	11	51
No Jurisdiction	70	0	0	70
Insufficient Cause	73	1	13	87
Referred	70	1	4	75
Pending ²	3	0	1	4
Complaint Totals	249	9	29	287

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 49 cases were opened in 2018, they were derived from 51 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:

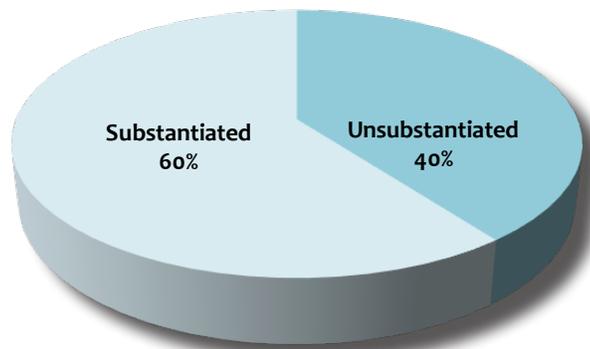


The Inspector General’s Office closed 45 cases in 2018. The number of cases closed may reflect cases that were opened in previous years. The following chart summarizes the outcome of the cases closed during the period covered by the 2018 Annual Report:

Results of Cases Closed in 2018	
Total Recommendations Made to Agencies	87 in 26 cases
Total Referrals	28 in 17 cases
Total Criminal Charges	8 in 4 cases
Identified \$ Loss	\$13,319,367.83 in 9 cases

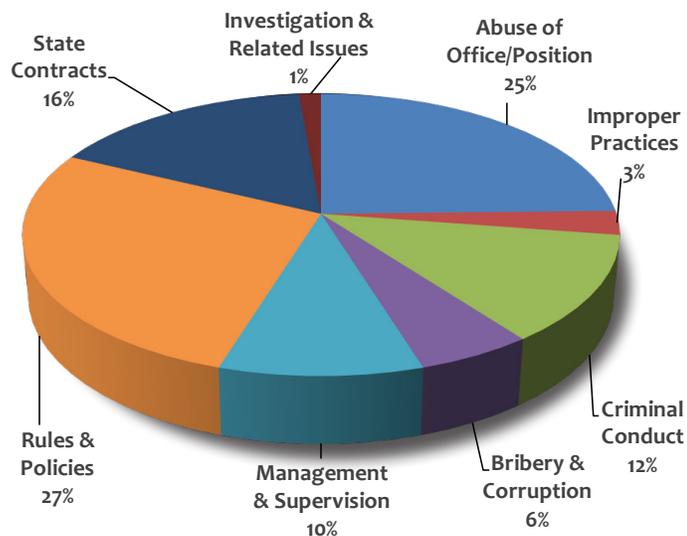
Of the 45 cases closed in 2018, the following chart illustrates the percentage of allegations in closed cases that were found to be substantiated versus those allegations that were found to be unsubstantiated.

Findings of Allegations for Cases Closed in 2018



The following chart specifies the types of wrongdoing alleged in cases closed in 2018. Cases investigated for violating rules and policies (27 percent) and abuse of office/position (25 percent) led the categories in the cases closed for 2018.

Substantiated Allegations by Type in 2018



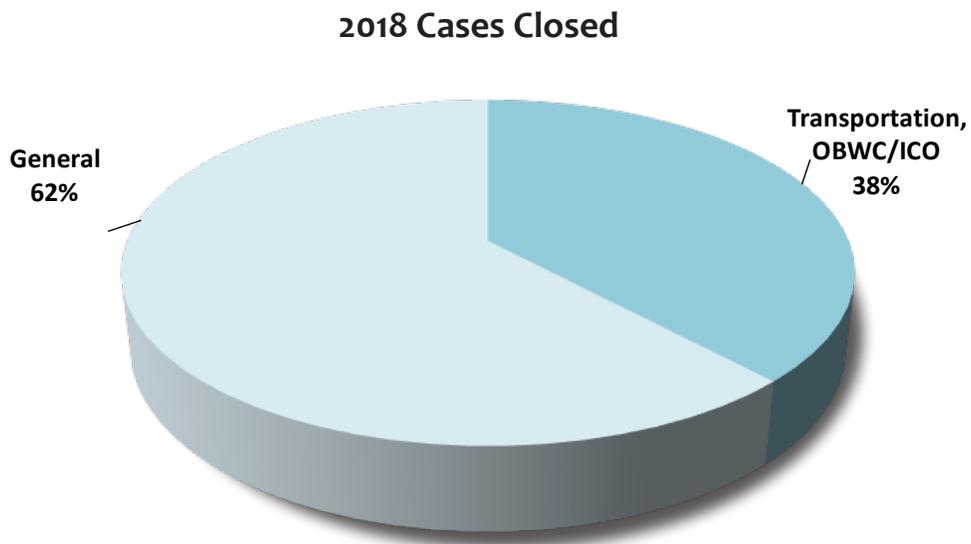
GENERAL AREA

2018 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 Governor'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 2018, there were 33 cases opened and 28 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.



GENERAL AREA

A FOCUS ON PROCUREMENT

Each fiscal year, the state of Ohio contracts with thousands of vendors, expending hundreds of millions of tax-payer dollars. These contracts are regulated by numerous state laws, policies, and procedures to deter fraud, waste, and abuse. Safeguarding the integrity of the state's competitive procurement practices establishes a level playing field for vendors who are competing for state of Ohio business.



In 2018, three important investigations were released by this office that identified various issues with the Ohio Department of Administrative Services' (ODAS) procurement practices. The investigations uncovered millions of dollars paid to vendors who had undue influence in the state's bidding processes, and state procurement staff who approved contracts without regard to rules and policies that regulate purchasing for the state of Ohio. Two of these investigations identified deficiencies of procurement integrity controls by ODAS when awarding information technology contracts. In these instances, the state's procurement practices did not align with established procurement processes that support fair and equitable opportunities for qualified vendors.

Summaries of Selected Cases - Procurement

OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES

OHIO BUREAU OF WORKERS' COMPENSATION

ADVOCATE SOLUTIONS, LLC

STONYHURST CONSULTING LLC

FILE ID NO: 2018-CA00013

From a review of emails obtained in prior investigations on the Ohio Department of Administrative Services (ODAS), the Inspector General's Office suspected CORE Project Integrator and ODAS Consultant Peter Quinn of Advocate Solutions, LLC, may have collaborated with another consultant to tailor position specifications to favor a specific individual for inclusion in a Request for Quote (RFQ). Furthermore, investigators suspected that Quinn and ODAS Executive IT Consultant Steve Zielenski may have collaborated to ensure that the individual's submitted resume met the position requirements listed in the RFQ. The emails also indicated that Quinn may have exerted influence on OBWC and ODAS employees to award a contract to Stonyhurst Consulting

LLC in fiscal years 2016 and 2017 for the services of Greg McCoy. Investigators conducted interviews and reviewed records used by OBWC for awarding four contracts to Stonyhurst Consulting LLC for McCoy's services totaling \$68,825 and for CORE Project Co-Program Manager and OBWC Consultant Cindy Afkhami's services totaling \$400,155.



Consultant	Stonyhurst Consulting LLC			Next Qualified Candidate			Variance
	Hourly Rate	Hours Paid for by OBWC	Amount Paid	Hourly Rate	Hours Paid for by OBWC	Calculated Cost	
Afkhami	\$185	2,163	\$400,155	\$135	2,163	\$292,005	\$108,150
McCoy	\$180	381.25	\$68,625	\$125	381.25	\$47,656	\$20,969
			\$468,780			\$339,661	\$129,119

The Inspector General's Office analyzed emails, OBWC records, ODAS Release and Permit files, and conducted several interviews of key CORE project participants. Investigators learned that Quinn, Afkhami, and/or Zielenski engaged in the following activities:

- Selecting and meeting with the preferred candidate or their employer, Stonyhurst Consulting LLC, prior to discussing with OBWC representatives, the issuing of a Request for Quote or official OBWC position announcement.
- Tailoring the project manager job specifications to match a candidate's experience; soliciting resumes from the preferred candidates; and in the case of McCoy, working with Stonyhurst to ensure his resume met the specifications prior to discussing the position with OBWC or the issuance of an RFQ.
- Informing several OBWC staff that Quinn had identified the preferred candidate for the CORE project implementation manager (McCoy) and QA (Afkhami) positions.
- Participating in the interviewing of candidates to ensure their preferred candidate (McCoy) was selected for the position.
- Attempting to avoid the ODAS purchasing procedures requiring the competitive selection process by Quinn recommending the hiring of Afkhami for the QA position.
- Emailing and meeting with ODAS representatives without OBWC involvement or knowledge to ensure that ODAS approved the OBWC-submitted Release and Permit to hire McCoy, an employee of Stonyhurst.

As a result of these activities, OBWC awarded Stonyhurst Consulting LLC contracts in 2015 and 2016 at a significantly higher rate than the next qualified candidate.

The Inspector General's Office determined that Quinn's, Zielenski's, and Afkhami's conduct was contrary to ODAS' Ethics policy and prevented OBWC and ODAS OIT from ensuring fair and equitable treatment of all suppliers interested in participating in the procurement of information technology services. Any supplier who attempts to influence the award of a contract, "... either directly or through an outside agent or representative, should have been disqualified and prohibited from participating in the procurement activity." Also, any supplier who attempts to influence an award may be subject to penalties under law, up to and including debarment.

On May 1, 2018, then-OBWC Chief of Enterprise Services Shadya Yazback explained to investigators that one of the challenges she found as she began managing the CORE

project was that project accountability resided with consultants and not with the OBWC staff. After completing an assessment of the project, Yazback canceled the contracts with Stonyhurst for Afkhami's and McCoy's services effective August 5, 2016, and transferred the duties to OBWC staff.

ODAS Purchasing Procedures

ODAS Chief of Technology Services Tom Croyle told investigators that he had concerns with the Release and Permit OBWC submitted to hire McCoy as an implementation project manager for the CORE project and questioned whether the request was advantageous to the state of Ohio. Although he was concerned about not wanting "the appearance of impropriety," Croyle ultimately directed his staff to move the Release and Permit on to then-ODAS OIT CIO Stu Davis for approval. Croyle explained that the only reason why ODAS OIT ignored staff concerns and reversed the initial denial of the Release and Permit was due to the brief conversations he (Croyle) had with OBWC staff. Investigators further determined that Davis approved the Release and Permit without documenting how staff concerns were addressed.

The Inspector General's Office concluded that the actions taken by Croyle and Davis were contrary to ODAS purchasing procedures which states that the Office of Procurement Services (OPS) "will conduct all procurement activities in a manner above reproach and with complete impartiality and preferential treatment to none."

OBWC IT Consultant Hiring Process

The Inspector General's Office determined through a review of records and interviews conducted that OBWC did not have written policies and procedures for OBWC employees to follow when selecting an IT consultant to fill an open position. Investigators noted that consultants were conducting telephone interviews with candidates and were involved in the decision process selecting which candidates to hire.

The Inspector General's Office determined Afkhami's participation in an interview of a Stonyhurst candidate, who was also her employer, was a conflict of interest as she had a vested interest in the outcome of the interview.

Failure to Comply with Request for Quote Provisions

On March 29, 2016, ODAS posted an IT consulting position for the CORE project at OBWC's request on the ODAS procurement website. Candidate interviews were to consist of two parts, a pre-screening 15-minute phone interview, and, if selected, the candidate would advance to a face-to-face interview. The face-to-face interview would have afforded OBWC staff with a second opportunity to further vet the prospective candidates and ensure the candidates possessed the needed skills.



The Inspector General's Office determined that OBWC participated in a 15-minute telephone interview with the top three candidates, but did not hold face-to-face interviews as specified. OBWC's Interim Project Management Office Director Larry King made this decision to not hold face-to-face interviews because OBWC "needed to get the position filled quickly." Based on a 15-minute interview, OBWC selected McCoy, a preferred Quinn candidate, who started at OBWC on May 23, 2016. On August 5, 2016, OBWC canceled McCoy's contract because his work was both "very minimal" and "... not very good." Additionally, McCoy's work product was described as often being reiterations of documents previously created by OBWC staff. By not adhering to established procedures, the Inspector General's Office concluded that OBWC staff was unable to both thoroughly vet the CORE project candidate's experience and knowledge or confirm that the candidate possessed the required skills.

The Inspector General's Office recommended that ODAS review the conduct of Stonyhurst Consulting LLC; Cindy Afkhami; Steve Zielenski; and Peter Quinn to determine whether action, including debarment pursuant to Ohio Revised Code §125.25, was warranted. On January 28, 2019, ODAS issued to each of these parties a notice of intent to debar them from consideration for state of Ohio contract awards "for a period of time, up to and including possible permanent debarment."

**OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES
FILE ID NO: 2017-CA00014C**

On June 16, 2017, the Ohio Department of Administrative Services (ODAS) submitted a "rush" purchase request two weeks before the end of the fiscal year and biennium to contract with Gartner, Inc.



to conduct a review of ODAS OIT's procurement processes. Gartner is a research and advisory company that advertises it provides businesses with "insights, advice and tools to achieve your mission-critical priorities." Given the scope of the project, the amount of work required for completion, and the extremely limited time-frame in which to complete the work, it was highly unlikely Gartner's review of ODAS OIT's procurement processes could be completed two weeks prior to fiscal year-end and conform to existing state of Ohio fiscal and accounting requirements. The initial project interviews did not begin until June 22, 2017, just eight days before the end of the fiscal year and biennium. Further, the project workshops were not even conducted until June 30, 2017, the last day of fiscal year 2017. This left no time to write, edit, and finalize the deliverables identified in the statement of work. Gartner specifically stated in the statement of work that they "anticipate a timeline of 4 weeks to complete this engagement."

Four days prior to ODAS' "rush" purchase request, the Controlling Board approved DAS0100912 on June 12, 2017, which requires state agencies when referencing a state term schedule contract, to obtain a minimum of three quotes or proposals on purchases of goods or services. If the agency obtains fewer than three quotes or proposals, then the agency must seek Controlling Board approval of a waiver for "no

competitive opportunity” prior to issuing a purchase order except for those items that are continuations of previously procured items. DAS0100912 became effective on July 1, 2017.

On June 16, 2017, ODAS sent out a memorandum titled “State Term Schedule Guidance #1” which requires agencies to obtain three quotes when making a purchase that references a state term schedule contract or obtain Controlling Board waiver of competitive selection effective for all fiscal year 2018 purchases. This was the same day that ODAS OIT submitted the “rush” Release and Permit purchasing request for Gartner’s review of ODAS OIT procurement processes.

The ODAS Release and Permit request for Gartner’s procurement review described Gartner as a “sole source” vendor, but there was no documentation in the Release and Permit system to support or explain how or why Gartner was determined by ODAS to be the only vendor who was able to conduct the review. The only information found by investigators related to “sole source” in the Release and Permit request was a decision comment entered by ODAS Enterprise IT Contracting Administrator Eric Glenn stating, “there are no other vendor options on contract for providing the neutral third-party consulting services requested.” The Release and Permit request did include an email from Gartner stating this was a single deliverable and would be invoiced upon completion and acceptance by ODAS.

Based on both a review of the services provided by Gartner and firsthand knowledge that other businesses provide like and similar services, the Inspector General’s Office questioned whether Gartner met the criteria to be designated as a “sole source vendor.” The Inspector General’s Office also determined ODAS OIT used the “sole source” designation as a mechanism to rush and advance the procurement through the process.

The investigation found that on October 6, 2017, Glenn emailed a draft of the executive summary with Glenn’s edits to Christian Fuellgraf, former managing partner at Gartner. The date on that executive summary was October 4, 2017. However, the executive summary provided to the Inspector General’s Office by both ODAS and Gartner cited the date of August 1, 2017. During the interviews with both ODAS employees and Fuellgraf, no one could explain why the date was changed from October 4, 2017, to August 1, 2017. When asked by investigators about the date change on the executive summary, Fuellgraf stated, “they wanted it done in August, so I probably just dated it August.” Glenn confirmed that the procurement review was not completed on August 1, 2017.

The investigation found that on October 3, 2017, ODAS Chief Administrator Katrina Flory approved payment of the invoice which was submitted by Gartner on September 18, 2017, and the invoice was paid by ODAS OIT on October 18, 2017. This payment for

The ODAS Release and Permit request for Gartner’s procurement review described Gartner as a “sole source” vendor, but there was no documentation ... to support or explain how or why Gartner was determined by ODAS to be the only vendor who was able to conduct the review.

the Gartner procurement review was made prior to receiving the final deliverables, in violation of Ohio Administrative Code and state accounting policy. During an interview conducted on March 23, 2018, Glenn stated that he did not know who at ODAS OIT would have accepted the final deliverables from Gartner and believed that Flory provided him with a copy. During an interview conducted with Flory on April 19, 2018, Flory stated she believed that ODAS OIT received the final deliverables in August 2017, because “the final documents are dated August.” Flory stated that Glenn and Davis were the responsible parties for accepting the final deliverables from Gartner. Flory said she did not receive the final deliverables and believed they were received by Glenn. ODAS OIT CIO Stu Davis, through his attorney, declined to be interviewed as part of this investigation. During an interview with Christian Fuellgraf on February 21, 2018, Fuellgraf stated that the final deliverables were not complete when he left Gartner at the end of December 2017.

The investigation determined there was a lack of knowledge and understanding of state fiscal rules, policies, and the Ohio Administrative Code by ODAS Deputy Chief Procurement Officer Eric Glenn and Chief Administrator Katrina Flory. As top administrative staff of ODAS OIT who were involved with purchasing and approval of IT-related procurements, these individuals were responsible for knowing and understanding these rules and policies.

OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES

OHIO DEPARTMENT OF INSURANCE

OHIO DEPARTMENT OF AGRICULTURE

FILE ID NO: 2017-CA00011

During the course of a separate investigation, the Inspector General’s Office discovered that Ohio Department of Rehabilitation and Correction (ODRC) Program Administrator Nena Bradley, in addition to her employment at ODRC, was operating a personal business that provided various services to the state of Ohio. An initial review conducted by investigators found that Bradley was the registered agent and owner of A. Joseph Business Enterprises, LTD. (AJBE). AJBE was certified under both the Minority Business Enterprise (MBE) and Encouraging Diversity, Growth and Equity (EDGE) programs. Between late March 2010 to mid-January 2017 (the date this case was initiated), AJBE received over \$500,000 from various state agencies. Of the total amount, the Ohio Department of Insurance (ODI) spent \$232,581.43 with AJBE since March 16, 2016, and the Ohio Department of Agriculture (AGRI) spent \$66,221.72 with AJBE since June 12, 2014.



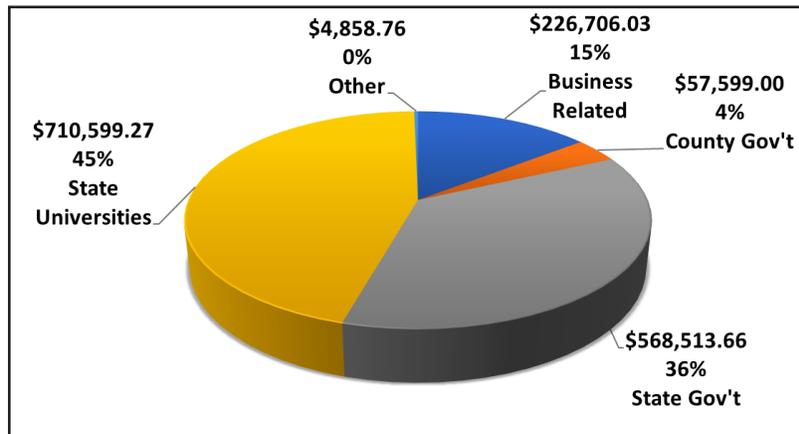
Nena Bradley was a 51 percent owner of A. Joseph Business Enterprises, LTD., and her husband, Adam Bradley, owned 49 percent of the business. Bradley said the business activities of AJBE were conducted from her home and the company sold office furniture, and subcontracted with The Bradley Company for drawing, layout and design, delivery, warehouse, and installation of modular systems. When asked how the day-to-day business was conducted at AJBE, Nena admitted that her husband conducted AJBE business at his Bradley Company office where he was employed. Nena Bradley reported

on her Ohio Business Gateway Equal Opportunity Division application that AJBE did not subcontract any work. However, Bradley told investigators that she had no other option but to subcontract.

Bradley acknowledged AJBE had received contracts from quotes that were higher than what were submitted by her competitors, and she knew the reason why AJBE was selected was because agencies were endeavoring to meet their respective MBE goals. Nena Bradley admitted that her husband was paid by both The Bradley Company and A. Joseph Business Enterprises, LTD.

Investigators determined that Nena Bradley, through her company A. Joseph Business Enterprises, LTD., received payments from various state agencies for work performed by The Bradley Company. Investigators conducted an analysis of AJBE's bank account records from January 2010 thru June 2017. Investigators determined AJBE received \$1,279,112.93 or 81 percent of its income from state agencies (\$568,513.66) and state universities (\$710,599.27). Investigators also determined that AJBE transferred a disproportionate amount of money to The Bradley Company (\$940,777.68, or 63 percent of AJBE's expenses).

A. Joseph Business Enterprises, LTD. Income (Jan. 2010-June 2017)



Investigators concluded that Nena Bradley did not meet the definition of an MBE owner who had day-to-day control of her business, as she was working full time at ODRC. Additionally, Bradley reported on her original MBE application that her business, AJBE, did not subcontract. However, Bradley allowed her husband's non-MBE business, The Bradley Company, to order and install materials, essentially acting as the project manager for AJBE contracts.

Investigators also determined that the Department of Administrative Services, Equal Opportunity Division (EOD) failed to adequately evaluate the AJBE MBE application. EOD did not question Nena Bradley's full-time ODRC employment; her business' lack of employees and equipment; and her business' connection to her husband's business, The Bradley Company.

Ohio Department of Insurance

In 2016, the Ohio Department of Insurance (ODI) requested the Ohio Department of Administrative



Department of Agriculture

Department of Administrative Services

Department of Insurance

Services (ODAS) obtain three quotes from Minority Business Enterprise (MBE) vendors to purchase furniture for expansion of the ODI IT department. ODAS collected the quotes from three interested state term schedule vendors, and ODI IT selected AJBE because they were the only MBE-certified vendor that had bid on the project. The Ohio Department of Insurance chose AJBE because of its MBE status, even though AJBE was the highest of the three quotes received. Investigators learned that the individuals who installed the furniture systems all signed-in as The Bradley Company employees, which is the company partially owned by Adam Bradley.

Investigators concluded that because the three quotes obtained by ODI included non-MBE vendors, this project could not be designated as a set-aside project to count toward ODI's MBE credit, only as MBE participation. Subsequently, ODI improperly obtained credit toward ODI's 15-percent MBE goal. Investigators also determined that the Ohio Department of Insurance spent \$3,762 more on the furniture project because ODI did not select the lowest quote which was submitted by The Bradley Company, who in fact purchased and installed the furniture.

Ohio Department of Agriculture

In 2012, the Ohio Department of Agriculture (AGRI) sought to purchase various office system components. An AGRI employee told investigators that she searched the ODAS website for available state term schedule contract vendors who perform the work needed to complete the project. The AGRI employee selected The Bradley Company, who completed the project for the department. Later, in 2014, AGRI needed another office space reconfiguration. The AGRI employee said that the department chose AJBE to earn the MBE set-aside credit. Though the Ohio Department of Agriculture contracted with AJBE to perform the work, The Bradley Company delivered and installed the furniture or wall systems at the department.

Investigators obtained and reviewed copies of AJBE's quotes and invoices to AGRI, which were originally attachments to emails sent from Adam Bradley of The Bradley Company. Investigators determined that the Ohio Department of Agriculture failed to obtain three quotes, violating an ODAS directive, and AGRI officials were aware that Nena Bradley's husband was executing AGRI purchases through AJBE to obtain MBE credit for AGRI. Subsequently, the Ohio Department of Agriculture improperly designated the purchases executed through AJBE as a set-aside project to gain credit toward the department's 15 percent MBE goal.

The Inspector General's office concluded that pressure placed on the Ohio Department of Insurance and the Ohio Department of Agriculture to meet their MBE utilization goals resulted in the agencies wasting state funds by not selecting the lowest bid and falsely reporting MBE expenditures.

Summaries of Selected Cases - General

OHIO DEPARTMENT OF REHABILITATION AND CORRECTION, OHIO PENAL INDUSTRIES FILE ID NO: 2017-CA00024

On June 29, 2017, the Inspector General's Office received a telephone call from an anonymous complainant alleging that Ohio Department of Rehabilitation and Correction (ODRC) employees assigned to work at Ohio Penal Industries (OPI) were using their positions for personal gain. The complainant also noted concerns as to how OPI had disposed of farm equipment from the closure of the state prison work farms. The complainant believed there was equipment missing, possibly stolen, and unaccounted for by OPI and ODRC.

On July 10, 2017, the Inspector General's Office met with ODRC officials to discuss the complaint. During the meeting, ODRC officials identified additional issues at OPI regarding potential mismanagement by the leadership involving OPI Chief Sheri Duffey, Assistant OPI Chief Todd Cordial, and Penal Industries Manager Dan Kinsel. After meeting with the ODRC Chief Inspector's Office to discuss the investigation, the Inspector General's Office opened an investigation to evaluate the various issues and allegations involving ODRC's closure of the prison farms and dairy expansion project, and OPI leadership's lack of oversight and possible mismanagement.

Prison Farm Closures and the Dairy Expansion Project

In 1868, ODRC instituted a prison farming operation at the old Ohio Penitentiary in Columbus. In the fall of 2015, then-ODRC Director Gary Mohr and his staff began discussing the feasibility of continuing its prison farm operations and subsequently decided to cease the operations on April 12, 2016. ODRC began the process of selling the farm operations' assets at auction and trading-in much of its farm equipment for heavy construction equipment to be used for a new training program for prisoners. Investigators were concerned by the equipment trade-in process, and the failure of OPI to properly establish a training program for its newly obtained construction equipment.

Investigators evaluated how ODRC disposed of its farming equipment and concluded that the missing equipment that had been reported was either being utilized at other prison locations or was determined to be duplicate listings on the inventory sheet. Ultimately, all the missing pieces of equipment were accounted for. Investigators also evaluated OPI's trade-in of farm equipment for heavy construction equipment. Investigators learned that the heavy construction equipment would be used for the demolition project at a former correctional facility and other future projects. From interviews with both inmates and staff, investigators determined that no formally established USDOL-approved apprenticeship program existed at the time of the acquisition of the equipment. Additionally, investigators learned that both staff and prisoners were not properly trained in the use of the heavy construction equipment. The Inspector General's Office's concluded OPI failed to follow

ODRC policy before instituting the new demolition program, and failed to ensure that program safety and training was properly provided to ODRC staff and inmates before they were permitted to operate heavy equipment.

During interviews about the equipment trade-in and heavy equipment training, investigators learned that OPI staff members Dan Kinsel, Gary Howard, and Jeff Wilkins had taken a trip to Iowa in May 2017, shortly after the OPI equipment trade-in transactions occurred. The trip was initially described as a train-the-trainer event, where the three OPI employees would learn how to operate the new equipment and later teach staff and inmates. However, those interviewed stated that after the three employees returned from the trip, they mostly talked about attending factory tours and a riverboat cruise.



Lack of inmate training demonstrated by inmate using excavator to haul skid loader, while another inmate walks alongside the equipment, clearly within the fall zone.

Investigators learned that the training provided to the three OPI employees lasted approximately three hours. Though OPI paid for the airfare, investigators discovered Murphy Equipment paid for most of the expenses of the trip including all the meals and alcoholic drinks purchased. Approximately \$900 was spent in total for the three employees who traveled to Iowa. The Inspector General's Office's concluded ODRC and OPI management failed to properly ensure OPI staff followed all applicable rules and policies and Kinsel, Howard, and Wilkins violated ODRC policies.

Dairy Expansion Project

In late 2014, as part of a plan to expand dairy production, ODRC made the decision to modernize and develop the dairy facilities located at the London and Marion prisons. The project plan involved the construction of several buildings. In January 2015, the Controlling Board approved a request from ODRC for the funding of \$8.9 million for the dairy facilities' project. According to state accounting records, ODRC spent approximately \$8.6 million of the \$8.9 million allocated for the London and Marion dairy improvement project.

In September 2015, ODRC officials began discussions regarding the continuation of the farm operations across the state. In the spring of 2016, ODRC decided to cease all farm operations and began the process of shutting down the facilities.

However, construction work continued of the dairy facilities at both sites and were completed between late 2015 and early 2016. Investigators learned, in order to mitigate construction costs, ODRC contacted the contractor and requested the implementation of cost-cutting measures on the project. Much of the equipment, electrical fixtures, and other items inside the barns



While ODRC ceased farm operations in 2016, construction of dairy facilities continued. Photo shows Ohio prison farm milking parlor partially completed.

and other buildings were removed and sold or returned to the vendor for a credit. ODRC attempted to sell the dairy facilities; however, was unable to finalize the sale because of the added cost to make the property usable for its intended purpose. To upgrade these facilities for their original intended use would cost approximately \$1 million.

ODRC's two dairy operations projects were paid with state of Ohio taxpayer monies using state-issued bonds. Investigators concluded that ODRC's decision to close the prison farm operations and to expand its dairy processing operations resulted in a waste of taxpayer monies. The estimated cost of ODRC's two dairy operations projects, including interest on the bonds, was over \$13 million.



Barns at London Correctional Institution

Ohio Penal Industries

The initial complaint received by the Inspector General's Office referenced serious issues at the Ohio Penal Industries (OPI) specifically, at the Vehicle Service Center (VSC). The VSC is an OPI program where inmates perform maintenance and repairs on vehicles and earn their Automotive Service Excellence (ASE) certification. OPI works with various businesses to place inmates in jobs upon their release. The complainant alleged that staff members had their personal vehicles serviced at VSC and either received discounts on parts and labor, or were not charged for repairs.

The Inspector General's Office met with OPI employees and inmates regarding the allegations and investigators discovered instances of mismanagement, improper procedures, use of positions for personal gain, and improper billing practices. The Inspector General's Office determined:

- OPI staff and inmates serviced personally owned vehicles at VSC before obtaining proper authorization from ODRC;
- OPI staff failed to charge consistent prices to all customers when VSC provided discounts to ODRC employees for repairs and maintenance performed on their personal vehicles;
- OPI staff and inmates used state vehicles to transport personal vehicles and equipment to/from the VSC;
- OPI staff and inmates serviced other types of equipment (i.e., tractors, lawnmowers, skid steers) at VSC when VSC was only permitted to repair vehicles;
- OPI staff failed to conduct physical inventories; in particular, inventories of parts available in storage, at VSC in violation of OPI policy;
- ODRC failed to adequately supervise inmates operating state vehicles outside the perimeter of the institution;
- OPI staff failed to accurately track and reconcile purchases from AutoZone and subsequent billings.

Also, during the course of this investigation, the Inspector General’s Office learned that VSC was operating at a loss and staff acknowledged to investigators that other OPI businesses were being used to subsidize VSC. Moreover, investigators observed a lack of operational oversight. OPI’s chief fiscal officer stated that he had never performed an audit of VSC and confirmed to investigators that an inventory of parts stored at VSC had never been conducted in accordance with OPI policy.

Use of Inmates for Personal Tasks

On August 16, 2017, an inmate assigned to work at OPI informed investigators about a trip he, another inmate, and Assistant OPI Chief Todd Cordial took to Greenville, Ohio. He said the purpose of this trip was to pick up a tanning bed and a vending machine for Cordial. The inmate stated they drove a state vehicle to Greenville, loaded the two items into the vehicle, and drove back to the OPI office located in Columbus. The next day, the inmate said he and the other inmate transferred the tanning bed to another vehicle and transported it to Cordial’s house. Both inmates separately described to investigators Cordial’s house and the stairs leading to the lower level.

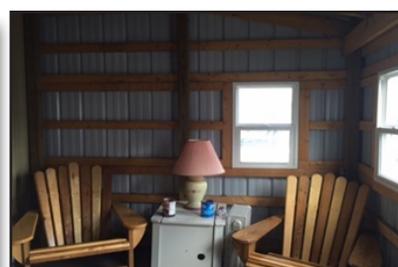
Investigators obtained a copy of a receipt from Midwest Auctioneers for the purchase of the tanning bed and vending machine. The two items, purchased online on May 21, 2016, were picked up on May 24, 2016, in Greenville, Ohio. The receipt showed Todd Cordial as the purchaser.

Cordial confirmed to investigators that the tanning bed was in his house and claimed he alone installed the bed. When asked how the inmates were able to separately describe the interior of his residence, Cordial said it was because he showed them pictures of the tanning bed installed in his home. Cordial eventually admitted to investigators that he had used a state vehicle, on state time, and the assistance of two inmates to pick up and deliver the tanning bed and vending machine.

Employee “Smoke Shack”

In August 2017, investigators received information of an employee breakroom built specifically for cigarette smokers. The breakroom was built on the side of the OPI building near one of the VSC detailing bays and contained an exhaust fan for cigarette smoke. The Inspector General’s Office interviewed Jeff Wilkins, penal workshop supervisor, who stated he and his crew built the “shack.” He said they did not obtain any building permits or applications and that no one from Central Office was consulted on the project. State agencies are required to seek approval for construction projects from the Ohio Department of Commerce’s Division of Industrial Compliance.

Investigators interviewed OPI Chief Sheri Duffey about the breakroom. Duffey



The VSC “Smoke Shack” break room located outside one of the detailing bays.

stated that she had instructed her staff to build the room and was not aware that they did not obtain the required permits. Duffey confirmed that she did receive permission to build the structure from her supervisors or ODRC Central Office. Duffey acknowledged to investigators that smoking in state facilities was prohibited by law. Administrative Deputy Director Kevin Stockdale told investigators that he informed Duffey that it was against state law and ODRC policy for employees to use the room for smoke breaks and directed her to discontinue using the room for such purposes.

The Inspector General's Office recommended ODRC contact the Ohio Department of Commerce to inspect the structure. The Ohio Department of Commerce directed ODRC to either modify the structure to meet applicable Ohio building codes or tear it down. ODRC removed the structure in April 2018. The Inspector General's Office's concluded Duffey improperly directed staff to build and attach a structure to the side of a state building in violation of the Ohio building codes and permitted staff to smoke in this structure in violation of state law and ODRC policy.

Showroom Furniture

On July 20, 2017, the Inspector General's Office received information regarding a table and set of chairs that were allegedly provided at no cost by OPI to the Ohio House of Representatives (OHR). Both the table and chairs were custom made with embroidery in the headrest of the chairs and an engraving of the OHR state seal in the center of the table. Investigators reviewed a copy of OPI's order verification form which specified the estimated cost to OHR of \$0.

Investigators interviewed OPI Furniture Sales Manager John Lyon. Lyon stated he was approached by Penal Industries Manager Dan Kinsel and was informed that OPI would be providing a table to the OHR. Lyon said he asked Kinsel how he should bill for the table and Kinsel informed him it was going to be a "showroom piece." Investigators asked Lyon what that meant, and he replied there would not be a charge for the furniture. Lyon confirmed the price OPI would have charged OHR for the furniture would have been \$6,737. Lyon noted that showroom items, such as chairs for employees, were generally provided to state agencies to try out before submitting an order. OPI Chief Sheri Duffey told investigators she was informed the furniture was being provided to OHR as a "look what OPI can do" display. Duffey noted that she did not have an issue with the furniture being provided at no cost and viewed the idea as free advertising since "a lot of people go to the Statehouse."



OPI custom-built table and chairs for the Ohio House of Representatives, provided at no cost.

When asked if any other agencies or departments had been provided with furniture at no cost, Lyon said there were furniture items placed in the ODRC director's office lobby and the Franklin Medical Center (FMC). Investigators discovered the estimated cost of the furniture

provided to FMC was \$40,000. Investigators learned that OPI staff had met with Ingrid Jones at FMC to discuss providing additional inmates to work for OPI. After that meeting, Kinsel directed Lyon to provide the furniture for FMC.

During the investigation, on October 17, 2017, OPI sent two invoices to the Ohio House of Representatives: one for the table and chairs and a second for the etched seal in the table. The total amount was \$9,313. Because OHR declined to pay the invoice, ODRC retrieved the table and chairs from OHR on November 21, 2017. Also, in October 2017, OPI sent invoices to the ODRC director's office and FMC for the furniture that was provided. Investigators confirmed both ODRC and FMC paid the invoices. The Inspector General's Office's concluded that Penal Industries Manager Dan Kinsel improperly authorized furniture to be provided by OPI at no cost to Ohio House of Representatives, the ODRC director's office, and the Franklin Medical Center.

BBQ Smokers

The Inspector General's Office learned that OPI had built two BBQ smokers. OPI proposed to rent the smokers to customers and initially established a rental fee of \$100 per day; however, later OPI modified the rental fee to \$100 per 72-hour period. Investigators also learned that OPI purchased two trailers for the two smokers so that the smokers could be transported to different locations. Investigators later discovered only one smoker had been built and was in use. The second smoker was under construction. The cost to build each smoker was quoted by OPI at \$6,050 per unit.

OPI Chief Sheri Duffey told investigators that it was her understanding the first smoker was built to be used in a pilot project to be rented out to institutions for use at employee appreciation and yard days events. When she first saw the finished product, she believed the smoker was too large to be sold commercially and was surprised when she was informed that a second smoker was being built. Duffey noted to investigators that the cost to build the two smokers was a waste of OPI funds.



OPI-owned smoker and trailer.

During the investigation, OPI decided to sell the two smokers through ODAS' surplus auction. According to the auction manager, one smoker sold for \$3,300 and the other sold for \$3,600, for a total of \$6,900, equating to an accumulative loss of \$5,200 for OPI.

The Inspector General's Office's concluded OPI's acquisition and building of the two BBQ smokers contradicted OPI's mission to sponsor programs that provide long-term training or job opportunities for inmates and was not part of a larger training program approved for inmates.

Ohio Penal Industries Manager Dan Kinsel resigned from his position in August 2017, and ODRC terminated OPI Chief Sheri Duffey and Assistant OPI Chief Todd Cordial in March 2018.

OHIO UNIVERSITY**FILE ID NO: 2015-CA00016**

On April 20, 2015, the Inspector General's Office initiated an investigation to examine whether local businessman John Wharton's proposed sale of his home located at 31 Coventry Lane in Athens to Ohio University (OU) and his verbal commitment to make a large financial gift to the Ohio University Athletic Department were both proper and appropriate. This investigation was initiated after The Athens Messenger posted an April 19, 2015, news article summarizing the events leading up to a decision by the Ohio University (OU) administration, "... to not recommend the purchase of 31 Coventry Lane to OU's Board of Trustees and the OU Foundation's Board of Trustees" for presidential housing.



From April 27, 2015, through December 5, 2017, Ohio University provided numerous records requested by the Inspector General's Office. During this same period, investigators interviewed current and former university employees, as well as John Wharton. Investigators learned that Wharton had professional relationships with several members of the Ohio University negotiation team, university management, and the Ohio University Foundation in a variety of capacities, including: as a university and foundation donor; a member of the Ohio Bobcat Club Advisory Board; a realtor; and a property manager.

The Inspector General's Office determined Wharton's relationships with university staff in conjunction with his history of donating to both Ohio University and to the Ohio University Foundation fostered an appearance of preferential treatment when OU selected a property owned by Wharton to serve as a temporary residence for the family of then-OU President Roderick McDavis. The Inspector General's Office further determined Wharton had discussions with the Athletic Department about a conditional \$100,000 donation contemporaneously to his negotiations with the OU Real Estate Department about a lease/purchase agreement for a property he owned. Accordingly, the Inspector General's Office found that there was a reasonable cause to believe an appearance of impropriety occurred in these instances. However, the Inspector General's Office found no evidence that McDavis, OU Athletic Director Jim Schaus, and Senior Associate Athletic Director for Development Ryan White had shared Wharton's conversations regarding a potential financial gift related to the university's proposed purchase of 31 Coventry Lane with OU staff involved with the property's lease terms negotiations.

The Inspector General's Office also reviewed expenditures totaling \$317,856.24 paid by the university to the Whartons for expenses associated with the 31 Coventry Lane lease agreement. Contrary to the lease agreement's provisions, the Inspector General's Office determined the university improperly issued payments totaling \$20,449.84 to University Off-Campus Housing, a Wharton company. These improper payments provided no benefit to the university and included \$5,019.18 for the replacement of the composite decking, and \$14,811.94 for the replacement of sod. Investigators were unable to find a university request for this work to be performed as required by the lease agreement.

The Inspector General's Office issued recommendations to the university and the foundation to evaluate and revise their respective internal control systems to address weaknesses identified during this investigation.

OHIO DEPARTMENT OF EDUCATION

FILE ID NO: 2017-CA00033

On September 13, 2017, the Ohio Department of Education (ODE) notified the Inspector General's Office about a complaint regarding an ODE employee who was suspected of illegal and improper activity at the department. The complaint alleged ODE Consultant Jennifer Ross, during the same time she was employed by ODE, was also contracted by the Columbus City School District (CCSD) to provide the same or similar services she performed at ODE.

Investigators learned that Jennifer Ross personally owned and operated the business, R.O.S.S. Consulting. The Inspector General's Office reviewed R.O.S.S. Consulting invoices, CCSD payments, and ODE policy documents. Investigators reviewed records detailing the trainings Ross had conducted and accepted payment for as a CCSD private contractor. Investigators discovered that Ross had conducted trainings at CCSD during work times she was being monetarily compensated for by ODE. On two occasions, Ross fraudulently submitted requests for mileage reimbursement from ODE. Investigators also determined Ross failed to file a secondary employment form with ODE, and thereby Ross did not obtain proper authorization to work at both ODE and R.O.S.S. Consulting.



The Inspector General's Office evaluated Ross' ODE emails and files from her state-issued computer. Investigators discovered Ross used her state-issued computer to send, receive, and store documents related to her private business, R.O.S.S. Consulting. She also used her ODE email account to discuss matters as a private consultant and to schedule times she was available to conduct private consulting work.

Investigators also determined Jennifer Ross used her position with ODE to promote her private business by:

- Using ODE documents for private training;
- Using professional connections, such as principals and teachers at CCSD, to schedule trainings at CCSD schools where Ross was assigned through ODE to work;
- Using knowledge gained in her position at ODE regarding which CCSD schools were awarded School Improvement Grants (SIG).

The Inspector General's Office concluded Ross violated ODE time and attendance policies by falsely reporting hours worked in her position as an ODE consultant. Investigators determined that Ross conducted contracted trainings with multiple city schools during hours she reported working for the Ohio Department of Education as a consultant, thereby improperly profiting by \$16,300.00. Investigators also determined Ross had been

compensated by ODE for 22.25 hours for work she performed for her private business during times she reported on her ODE timesheet to be working for ODE. ODE paid Ross \$886.86 in wages and \$310.40 in benefits for the 22.25 hours. Furthermore, investigators discovered that Ross fraudulently submitted to ODE a reimbursement request for \$22.88 for travel expenses for a training that she had conducted that was not ODE-related.

The report of investigation was referred to the Franklin County Prosecuting Attorney and Columbus City Attorney for consideration. On December 15, 2017, Jennifer Ross was terminated from the Ohio Department of Education.

OHIO DEPARTMENT OF DEVELOPMENTAL DISABILITIES

FILE ID NO: 2018-CA00017

On March 7, 2018, the Inspector General's Office received a notification from the Ohio Department of Developmental Disabilities (ODODD) stating that Human Capital Management Analyst Tiffany Diggs was suspected of posting fraudulent hours under another employee's payroll account, then diverting those earnings into her own personal bank account through direct deposit. ODODD learned that a part-time employee, for whom Diggs was responsible for processing his payroll, reported to the department that his 2017 W-2 statement indicated that he had earned a substantially higher income in 2017 than he did in 2016. The ODODD employee believed this to be an error.



ODODD learned that a part-time employee, for whom Diggs was responsible for processing his payroll, reported to the department that his 2017 W-2 statement indicated that he had earned a substantially higher income in 2017 than he did in 2016. The ODODD employee believed this to be an error.

The ODODD employee explained that after receiving and delivering his 2017 W-2 statement to his accountant for his annual tax preparation, the accountant informed him that his taxes were going to increase because he had earned a substantially higher income in 2017 than he did in 2016. The employee stated that he believed this was an error because he had worked about the same number of hours in 2017 as he did in 2016. Believing there was an error on his W-2, the employee contacted the ODODD payroll manager.

The payroll manager told the Inspector General's Office that the employee is an ODODD part-time employee who works 10-15 hours per two-week pay period, and that upon receiving the call from the employee, she reviewed two of his paychecks in OAKS, the

KRONOS hours ≠ OAKS hours

state's payroll system. The payroll manager discovered that more hours were posted in OAKS than what the employee stated he worked. The payroll manager compared the employee's work hours reported in KRONOS,

a software application used for monitoring employee time and attendance, to the work hours reported in OAKS and found there was a discrepancy in what was worked and what was posted.

The payroll manager discovered a second bank account connected to the employee's direct deposit, and she stated the employee said he was unaware of the second account. Upon

determining the second account was with American Express Centurion, the payroll manager contacted Tiffany Diggs and asked if she had any knowledge of the account. Diggs told the payroll manager that she was not aware of the account. The following day, the payroll manager was informed that the American Express Centurion account was associated with payroll direct deposits for Tiffany Diggs. She also found evidence that Tiffany Diggs' OAKS identification number was used to make changes to the ODODD employee's OAKS account. Specifically, the payroll manager discovered hours and money had been added and reported on the ODODD employee's payroll records, but the actual money was direct deposited into Diggs' American Express Centurion bank account. Because the ODODD employee did not have an email account associated with his OAKS account and never viewed his online paycheck, the employee did not discover the discrepancy until his tax accountant noticed a substantial increase in his pay for the year.

The Inspector General's Office issued a subpoena for the American Express Centurion account and confirmed it was assigned to Tiffany Diggs. Investigators reviewed the bank records and determined 17 instances where money was diverted from the ODODD employee's OAKS payroll account to Diggs' American Express Centurion account. The dates and dollar amounts of the 17 instances provided by the Ohio Department of Administrative Services matched exactly with the American Express Centurion records for a total of \$26,904.73.

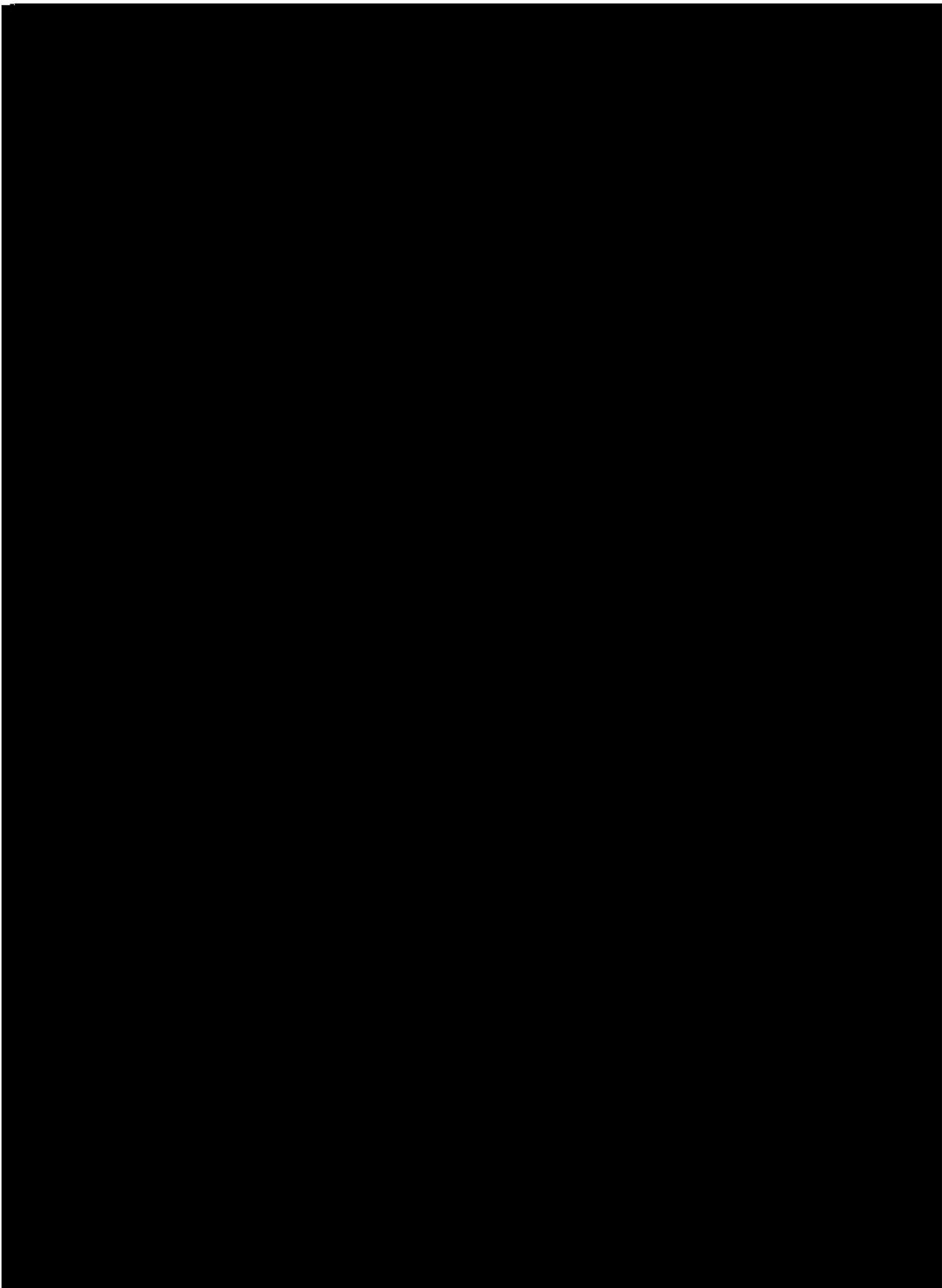
Investigators interviewed the ODODD employee and confirmed he had no knowledge of Diggs' actions. The Inspector General's Office attempted to interview Diggs; however, she refused to return investigator's phone calls.

The Inspector General's Office discussed the case with the Ohio Department of Taxation. Agents reviewed Diggs' 2017 tax return and reported Diggs did not claim the additional \$26,904.73 (\$38,515.44 before taxes) she diverted from the employee's direct deposit. The agents informed investigators they would be opening a case with the Ohio Department of Taxation for possible criminal charges against Tiffany Diggs.

Investigators reviewed the bank records and determined 17 instances where money was diverted from the ODODD employee's OAKS payroll account to Diggs' American Express Centurion account ... for a total of \$26,904.73.

On April 13, 2018, Tiffany Diggs resigned her position at ODODD. On July 10, 2018, Diggs was indicted by the Franklin County Grand Jury for Theft in Office, Tampering with Records, and Filing a False or Fraudulent Tax Return.

OHIO DEPARTMENT OF MEDICAID
FILE ID NO: 2017-CA00035



OHIO DEPARTMENT OF EDUCATION**FILE ID NO: 2018-CA00014**

In February 2018, the Inspector General’s Office opened an investigation into a complaint from the Ohio Department of Education (ODE) alleging that Education Program Specialist Stacy Ludwig performed secondary work while on state time. Investigators recovered numerous photos and videos from her state-issued laptop that were posted on her personal social media accounts promoting the sales of cosmetics and skincare products. On November 16, 2017, she announced on Facebook working as an “Independent Beauty Guide” for LimeLight by Alcone.

From February 1, 2018, to February 26, 2018, investigators conducted an analysis of Ludwig’s internet browsing history which revealed she regularly visited Facebook, Twitter, YouTube, LimeLight by Alcone, and other internet websites related to the marketing of her secondary employment. Investigators found screenshots from Ludwig’s Facebook page where she posted pictures of herself from her work location at ODE promoting her secondary employment. It was determined that Ludwig used her ODE laptop during her reported regular work hours placing customer orders, scheduling promotional events, and professional development for direct sales professionals. Investigators also discovered Ludwig utilized her state-issued laptop for her secondary employment during non-work hours. Ludwig’s ODE laptop contained 26 video files that totaled six hours and 54 minutes in which she promoted her secondary employment.



Investigators found an email sent on February 7, 2018, from Ludwig to a co-worker that stated, “I will not be in today because school was canceled. I’m home with my kids.” According to Ludwig’s timesheet, she reported eight hours of regular work time that day. Investigators determined Ludwig worked almost six hours on secondary employment activity on February 7, 2018.

On February 21, 2018, Ludwig emailed her supervisor requesting permission to work from home in order to complete an ODE-related assignment before its deadline on February 23, 2018. The supervisor approved Ludwig’s request. During the analysis of Ludwig’s browser history, investigators determined that Ludwig spent more than 14 hours working on her outside employment during that week. On February 21, 2018, Ludwig claimed 12.1 hours of ODE work time and on February 22, 2018, she claimed 13.7 hours of ODE work time.

The Inspector General’s Office subpoenaed LimeLight by Alcone for financial records relating to Ludwig. The records showed Ludwig earned \$6,995.15 in commission payments between November 16, 2017, and July 18, 2018. Additionally, Ludwig placed numerous orders and payments for customers during hours she claimed to be working for the state of Ohio. Investigators learned that Ludwig failed to complete the ODE form that is required for approval of secondary employment when she first began working for LimeLight by

Alcone. Ludwig filed the form on March 29th, 2018; however, Ludwig began working as an “Independent Beauty Guide” on November 16, 2017.

Also during the course of the investigation, the Inspector General’s Office discovered deficiencies of ODE’s timekeeping application. When investigators asked Ludwig’s direct supervisor why Ludwig did not regularly claim lunch breaks, the supervisor replied that he could not verify whether Ludwig claimed a lunch period because the timesheets supervisors approved did not display the specific times for an employee’s reported workday or lunch period. ODE supervisors are required to apply appropriate oversight of the employee’s reported workday, as stated in ODE Human Resources Policies and Procedures Manual. However, investigators discovered ODE’s timekeeping application was limited and did not provide ODE employees’ start and end times for supervisory review, and subsequently, ODE supervisors were unable to provide appropriate oversight of employees as required by this policy requirement.

The Inspector General’s Office concluded that Stacy Ludwig had used ODE time and resources to market and sell cosmetics for secondary employment in excess of 63 hours.

The report of investigation was referred to the Franklin County Prosecuting Attorney and Columbus City Attorney for consideration. On January 3, 2019, Ludwig resigned from her position with ODE.

OHIO DEPARTMENT OF REHABILITATION AND CORRECTION

FILE ID NO: 2018-CA00010

On February 7, 2018, the Inspector General’s Office received a complaint from the Ohio Department of Rehabilitation and Correction (ODRC) alleging suspected illegal activity by ODRC employee Jennifer Bouch. The complaint stated that a fiscal audit conducted by ODRC audit staff was unable to account for \$690 held in an institutional account at the Northeast Reintegration Center (NERC).

Investigators obtained copies of all audit workpapers and learned the audit conducted by ODRC staff determined that from January 1, 2017, through December 31, 2017, there was a discrepancy of \$690 between receipts issued for services related to the U Lucky Dog (ULD) program and amounts deposited into the NERC institutional bank account.



The ULD program is an inmate-run program operated at NERC. The program offers several services for dogs (e.g., day care, grooming, bathing) and allows employees of NERC to bring their pets to work to receive services for a set price. Payments for the services are made to the NERC cashier’s office, where ODRC employee Jennifer Bouch was the primary cashier. Based on a review of the receipts prepared for pet services and deposits made to the bank, the audit conducted by ODRC determined that the unaccounted for \$690 was due to services Bouch received for her own personal dogs, and for which she never paid.

On February 26, 2018, Bouch was interviewed by the OSHP Criminal Investigations Division. Bouch admitted she failed to pay for the services she received for her dogs and that she completed fictitious receipts for the services. Bouch stated during the interview that she did not misappropriate money from any other account held at NERC. Later that day, Bouch resigned from her position at NERC and paid restitution to NERC for the services she received for her dogs.

On August 14, 2018, Jennifer Bouch was indicted for theft by a Cuyahoga County Grand Jury.

OHIO DEPARTMENT OF COMMERCE

FILE ID NO: 2018-CA00032

On July 2, 2018, the Ohio Department of Commerce (ODC) notified the Inspector General's Office that an ODC employee, identified in this summary as an Unnamed subject, had created alternative pay stubs which were submitted as part of a benefit application to the Franklin County Department of Job and Family Services (FCDJFS). The subject is not identified in this summary because the Ohio Revised Code requires the Inspector General's Office to keep confidential information it receives that is made confidential by law. Ohio Revised Code §5101.27 makes confidential the identity of any person who applies for government assistance.

State of Ohio 77 S High St		EARNINGS STATEMENT				
EMPLOYEE NAME	SSN	EMPLOYEE ID	CHECK NO.	PAY PERIOD	PAY DATE	
			446826	05/11/18-05/24/18	05/25/18	
INCOME	RATE	HOURS	CURRENT TOTAL	DEDUCTIONS	CURRENT TOTAL	YEAR-TO-DATE
GROSS WAGES	10.59	80.00	847.20	FICA MED TAX	12.28	122.80
				FICA SS TAX	52.52	525.20
				FED TAX	77.25	772.50
				OH ST TAX	12.97	129.70
YTD GROSS	YTD DEDUCTIONS	YTD NET PAY	CURRENT TOTAL	CURRENT DEDUCTIONS	NET PAY	
8,472.00	1,550.20	6,921.80	847.20	155.02	692.18	

Example of false paid stub used by subject.

The Franklin County Department of Job and Family Services (FCDJFS) provides financial assistance for childcare based on family size and income. The Unnamed subject in this report, in an effort to requalify to receive childcare benefits through FCDJFS, was required to complete the application form and submit pay stubs to verify her income. In order to reduce her monthly copay amount, the Unnamed subject created false state of Ohio pay stub records to indicate a lower salary or income. The Unnamed subject confirmed that she used her personal Gmail account to access the www.pay-stubs.com website, where she created and paid for the false state of Ohio pay stubs. Using the false pay stubs enabled her to report a reduced amount of income to FCDJFS, which would have qualified her for a \$0 copay. The Unnamed subject used her assigned state of Ohio computer and email system to submit the forged state of Ohio pay stubs to FCDJFS. The Unnamed subject's use of her state-issued computer, internet, and email systems for personal business while on state time violated the ODC's Computer Use Policy.

The Unnamed subject also admitted not reporting and receiving approval for her outside employment at Doughbenders to the Ohio Department of Commerce, in violation of Ohio Department of Commerce Ethics Policy.

The report of investigation was referred to the Franklin County Prosecuting Attorney and Columbus City Attorney for consideration.

OHIO DEPARTMENT OF TRANSPORTATION

2018 Report

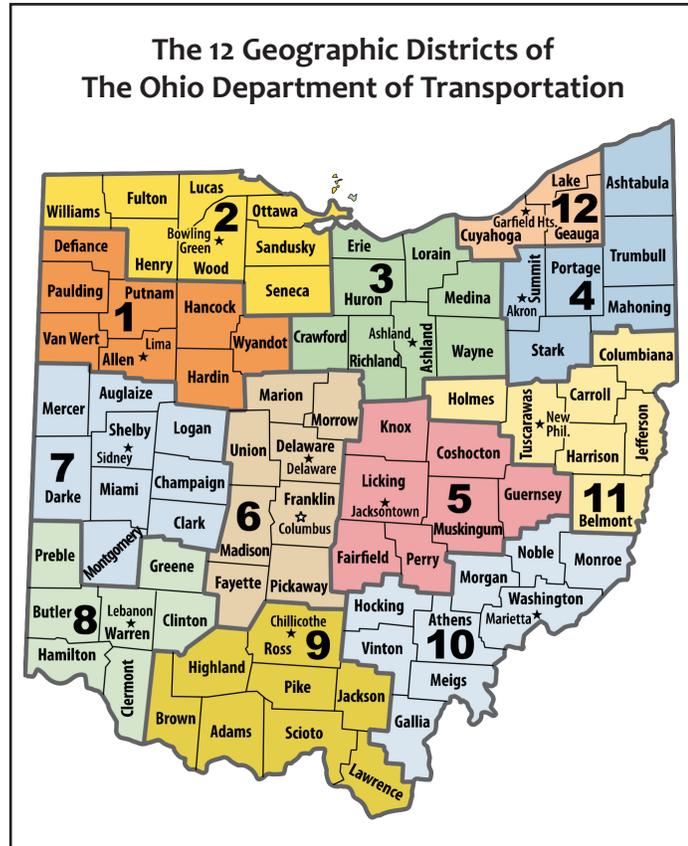
The responsibilities of the deputy inspector general for the Ohio Department of Transportation (ODOT) were created in 2007 with the enactment of Ohio Revised Code §121.51. This section directs a deputy inspector general to investigate “... all wrongful acts and omissions that have been committed or are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

According to biennial budget documents for fiscal year 2018, ODOT had an annual budget of more than \$3.3 billion in operating and capital disbursements. ODOT is one of the state’s largest agencies in terms of employees, with nearly 5,000 staff members located in 12 districts throughout the state, and a headquarters in Columbus. Oversight is important to ensure that operations are conducted efficiently and effectively.

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 cooperation and working relationship between the Inspector General’s Office, ODOT’s leadership team, and chief investigators office supports ODOT’s endeavor to responsibly manage the public’s money.

In 2018, there were seven cases opened and eight 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.



Source: www.dot.state.oh.us

Summaries of Selected Cases - Transportation

OHIO DEPARTMENT OF TRANSPORTATION

FILE ID NO: 2017-CA00017

On May 9, 2017, the Inspector General's Office received a referral from ODOT regarding an inventory issue pertaining to a large purchase of road salt for the 2014-2015 winter season. ODOT District 2 (Bowling Green) was unable to reconcile, in the ODOT EIMS management system where salt is tracked, 806.56 tons of road salt.

ODOT purchased salt for the state of Ohio's 2014-2015 winter season from Mid-American Salt which was delivered from overseas to the Midwest Terminals at the Port of Toledo in four shipments, totaling 76,223.63 tons. ODOT District 2 was responsible for managing the distribution of this salt shipment. ODOT District 2 staff tracked the district's consumption of the road salt using the ODOT EIMS system. From submitted truckers' weight tickets, ODOT District 2 employees entered into EIMS the amount of salt that was obtained from Midwest Terminals docks and delivered to various locations in Ohio. These tickets were prepared by Midwest Terminals and then forwarded to ODOT District 2 after each delivery location received the salt. ODOT District 2 staff relied upon the accuracy of the information provided on the truckers' weight tickets. ODOT District 2 staff would subtract the total weight of salt specified on the tickets from the total amount of the remaining salt stored at Midwest Terminals. During the 2014-2015 winter season, 3,362 trucks transported salt from Midwest Terminals to ODOT destinations, totaling 75,365.44 tons of salt used.



The Inspector General's Office identified five issues that prevented ODOT District 2 staff from accurately calculating, using their EIMS tracking system, the removal and subsequent delivery of salt from Midwest Terminals.

The first issue identified by investigators was the reported total amount of salt delivered to Midwest Terminals at the Port of Toledo for the 2014-2015 winter season. Although 76,223.63 tons of salt was actually scheduled to be delivered to Midwest Terminals, ODOT Central Office officials reported to ODOT District 2 staff that 76,172.00 tons of salt was delivered. ODOT District 2 staff were tasked to track the district's use of salt; however, the incorrect figure provided to them undermined their ability to accurately track consumption. Because of this incorrect reported amount, District 2 staff initially identified an unresolved inventory discrepancy of 806.56 tons of salt. However, when investigators applied the

correct amount of salt delivered to Midwest Terminals in their calculations (76,223.63 tons), investigators determined that the actual unresolved inventory discrepancy was 858.19 tons of salt.

The second issue identified by investigators were six errors made in the EIMS tracking system. Most of the errors were inadvertent and comprised a small portion of the total number of tickets processed by ODOT District 2 staff. These errors totaled 829.29 tons of salt. The discovery of these errors also reconciled 829.29 tons of the ODOT District 2 inventory variance of 858.19 tons of salt, resulting in a remainder of 28.90 tons of salt unaccounted for.

The third issue identified by investigators involved the removal of 337.28 tons of ODOT-owned salt from the Midwest Terminals docks by Mid-American Salt. Investigators learned that ODOT Central Office staff were aware of the removal, and Mid-American Salt later replaced the salt owed to ODOT. However, the information that Mid-American Salt removed the salt was never reported to ODOT District 2 staff tasked with tracking the district's use of salt.

The fourth issue noted by investigators involved the matter of moisture content in salt. Investigators learned that moisture content is a significant variable when accounting for the weight of salt supplies. Because the salt at Midwest Terminals was stored uncovered, the salt was left open to the elements and subsequently susceptible to water exposure resulting in varying increases of overall weight. These varying increases of moisture content would correspond to increases in the overall weight of the salt removed. Investigators determined that moisture content in the salt might explain the variance between the total weight of the ODOT salt that was reported to leave the dock, to the total weight of salt originally delivered to the dock by Mid-American Salt at the beginning of the 2014-2015 season.

Lastly, the fifth issue identified by investigators was that ODOT was unable to confirm the exact amount of salt delivered to Midwest Terminals at the Port of Toledo. Though ODOT purchased 76,223.63 tons of salt during the 2014-2015 season, the salt shipments were not weighed when they were unloaded at the docks. Based upon the ODOT contract for this purchase, a partial payment of 70 percent of the total amount due was made by ODOT when the salt was loaded onto the cargo ship at the origin port. The remaining 30 percent was paid when the salt was unloaded from the cargo ship at its port of destination in Ohio. Several factors may have reduced the weight of the purchased salt shipment, such as salt not being completely removed from the vessel, or salt falling off the ship during its removal from the ship to the dock. Because the salt was not weighed when it was unloaded at the Midwest Terminals, investigators were unable to establish if the total amount of salt purchased was the amount of salt actually delivered to the docks.

During the course of this investigation, the Inspector General's Office reconciled 829.29 tons of ODOT District 2 salt inventory discrepancy of 858.19 tons. Investigators concluded that variables concerning moisture content and the weight of the salt actually delivered to Midwest Terminals could account for the remaining inventory variance of 28.90 tons of salt.

OHIO DEPARTMENT OF TRANSPORTATION**FILE ID NO: 2017-CA00043**

In December 2017, the Inspector General's Office opened an investigation after a complaint was forwarded from ODOT Office of Investigative Services (ODOT-OIS) alleging ODOT Transportation Manager Shannon Hitt had performed work for her husband's for-profit business during times she was being paid to work for ODOT and using an ODOT-issued computer. Hitt was investigated previously at ODOT for similar matters in 2010 and 2014.

Investigators interviewed Hitt, who initially denied performing work for her husband's business during times she was working for ODOT. Hitt said that she always worked on these documents and spreadsheets during her lunch or breaks, or before or after work. She stated, "... why would I do this after I was disciplined for doing the same thing in 2014." However, as the interview proceeded and Hitt was shown documents discovered from her shared network drive, Hitt admitted to investigators that she had worked on several documents for her husband's business. Hitt was shown a series of spreadsheets found on her ODOT-issued computer. The spreadsheets appeared to be directly related to her husband's trucking business, and included inventory information and annual costs for items such as fuel, permits, repairs, and supplies, among many other business-related items. The file names and dates for the spreadsheets showed creation dates of March 8, 2016, and March 22, 2017, which were dates that were more recent than her last investigation in 2014. Hitt admitted she probably created the spreadsheets during her breaks. Investigators explained to Hitt that she was not permitted to work on personal for-profit business documents using her ODOT-issued equipment and during times she was being paid to work for ODOT, regardless of whether she was on breaks or not. She then acknowledged that she created the spreadsheets for tax preparation for her husband's for-profit business using ODOT-issued equipment and while at work at ODOT District 2.

Based upon investigations by ODOT-OIS and the Inspector General's Office, it was determined that Hitt violated provisions of ODOT's policy regarding engaging in activities for personal profit during paid work hours, including break times.

She (Hitt) then acknowledged that she created the spreadsheets for tax preparation for her husband's for-profit business using ODOT-issued equipment and while at work at ODOT District 2.

On July 31, 2018, Shannon Hitt resigned from her employment with ODOT without a recommendation for rehire by other state agencies.

OHIO DEPARTMENT OF TRANSPORTATION**FILE ID NO: 2016-CA00014**

This investigation was initiated by the Inspector General's Office after receiving an anonymous complaint made against ODOT Transportation Technician Brett Shearer alleging he was selling AdvoCare nutritional supplements during days and times he was working for ODOT.

During an interview with investigators, Shearer did not dispute that he sold AdvoCare products with ODOT and credit union employees. Shearer admitted he did not have a secondary employment authorization form on file with ODOT as required by policy, but said he had recently filed a request for secondary employment authorization. Shearer confirmed to investigators that he used the Square, Inc. credit card reader to complete AdvoCare sales. Investigators showed Shearer copies of transactions he made using Square. Shearer identified them as AdvoCare sales he made while at work and on ODOT property. Shearer noted that some sales of AdvoCare occurred during his lunch, and he believed selling the products at lunch was permitted. Investigators explained to Shearer that ODOT policy is clear that an employee cannot engage in activities for personal profit during paid work hours, including break times, and while on ODOT property.



Investigators determined Shearer's annual income from AdvoCare was: 2012 - \$17,830; 2013 - \$36,850; 2014 - \$44,430; 2015 - \$54,639; 2016 - \$71,018; 2017 (first 4 months) - \$17,435. Investigators were not able to determine exactly how much of this income was generated on ODOT time or property. Shearer confirmed that the figures investigators showed him for each year were very close to what he earned from AdvoCare.

Investigators found Shearer used ODOT computer equipment and his ODOT email account to coordinate the sale of AdvoCare personal fitness products. Investigators also discovered Shearer contacted ODOT employees during days and times he was working for ODOT to solicit them to purchase his products. Shearer solicited business for his AdvoCare products so often that several employees reported to investigators that if they noticed Shearer approaching, they would leave their work areas to avoid his sales pitch.

The Inspector General's Office concluded that Brett Shearer engaged in secondary employment at or on ODOT property and/or engaged in activities for personal profit during paid work hours, including break times. The investigation concluded that Shearer failed to comply with ODOT work rules and policies when he did not report his secondary employment; inappropriately used his state-issued equipment, property and email account; and engaged in activities for personal profit during paid work hours, including break times.

The report of investigation was referred to the Franklin County Prosecuting Attorney and Columbus City Attorney for consideration. Brett Shearer was given a three-day working suspension for his violations of ODOT policy.

OHIO BUREAU OF WORKERS' COMPENSATION AND INDUSTRIAL COMMISSION OF OHIO

2018 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 Ohio Bureau of Workers' Compensation and the Industrial Commission of Ohio. 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 approximately 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 fiscal year 2018 Annual Report, OBWC served 241,812 active employers, managed 672,188 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



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.

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 represent the public.

The Industrial Commission of Ohio has over 340 employees and operates five regional offices and seven district offices throughout the state. According to the commission's fiscal year 2018 Annual Report, the three commissioners and 82 hearing officers collectively conducted 112,250 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 provide overviews of noteworthy investigations. In 2018, the Inspector General's Office staff attended several monthly OBWC board of directors' audit, investment, and actuarial committee meetings to receive updates on OBWC's divisional activities and new initiatives.



In an effort to educate OBWC and ICO employees, the Inspector General's Office routinely conducts outreach efforts to discuss the office's responsibilities, complaint and investigative processes, and relevant investigations. During the year, the Inspector General's Office staff visited two OBWC service offices and one ICO regional office, and made themselves available to employees should they want to discuss any issues or concerns.

In 2018, the Inspector General's Office met with the OBWC Investment, Fiscal, Compliance & Performance Monitoring; Internal Audit; Information Technology; and Safety & Hygiene divisions to discuss OBWC's processes involving investments, financial activities, computer systems, employee activities, the awarding of contracts, oversight of grants awarded by OBWC, and the results of internal audits conducted. The Inspector General's Office also worked jointly with various departments within OBWC, including Special Investigations, Digital Forensics Unit, Human Resources, Labor Relations, and Legal. Additionally, the Inspector General's Office worked closely with various departments within the Industrial Commission of Ohio, including the Executive Director's Office, Hearing Services, Human Resources, Legal, and Information Technology.

In 2018, there were nine cases opened and nine 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.

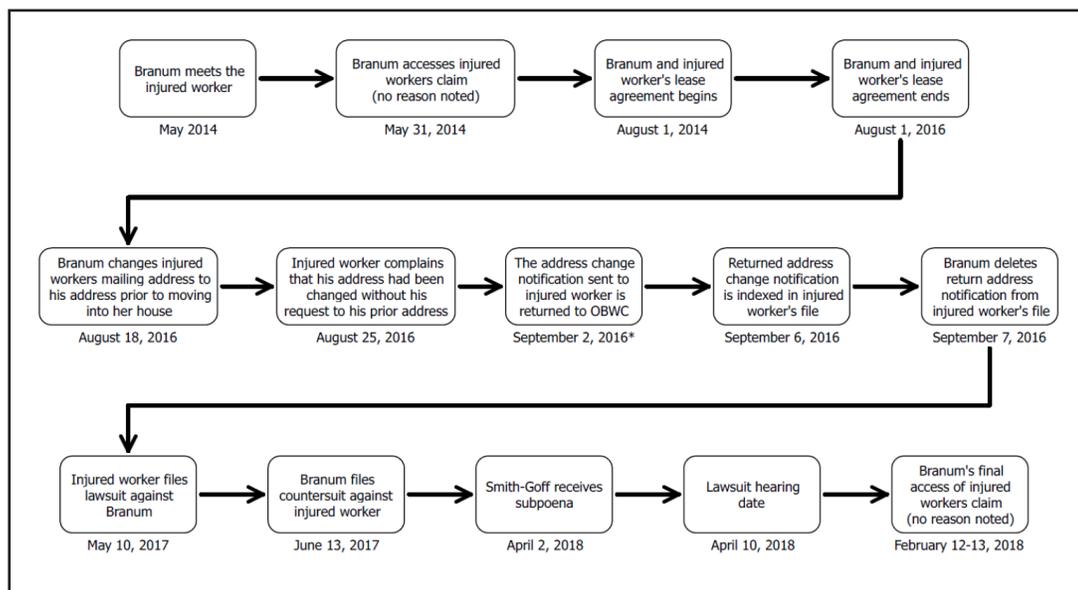
Summaries of Selected Cases - OBWC/ICO

OHIO BUREAU OF WORKERS' COMPENSATION

FILE ID NO: 2018-CA00020

On April 10, 2018, the Inspector General's Office received notification from the Ohio Bureau of Workers' Compensation, alleging Claims Specialist Supervisor Brenda Branum had improperly accessed an injured worker's claim file a total of 30 times on 22 separate dates between May 31, 2014, and February 13, 2018. The Inspector General's Office learned that Branum had a landlord/tenant relationship with the injured worker.

All 30 accesses of the injured worker's claim by Branum occurred during a time period when the injured worker and Branum discussed leasing Branum's house, or during the term of Branum's lease of her house to the injured worker, or during a lawsuit initiated by the injured worker against Branum regarding the lease of her house. Branum did not notify her supervisors about her business relationship with the injured worker, and subsequently, the claim was not appropriately flagged and reassigned. These actions violated OBWC COEMP and Special Handling Claims Policy. Of the 30 accesses by Branum of the injured worker's claim, 20 of those accesses did not include a note documenting the business reason for the access, which violated OBWC Confidential Personal Information Access and Logging policy. However, because of the business relationship with the injured worker, Branum had no permissible reason for any of the 30 accesses since any access was precluded by OBWC policy.



On August 18, 2016, Branum changed the injured worker's address of record in OBWC's system from the house she rented to him, to the injured worker's address prior to moving into her rental house, without the injured worker's knowledge. On August 25, 2016, the injured worker reported the incorrect and unrequested change of address to OBWC and requested his mail be sent to a post office box. This address change generated a change

of address notification, which was sent to Branum's address. Investigators determined Branum tampered with OBWC records when she changed the injured worker's address without his consent and again on September 7, 2016, when she deleted from the injured worker's claim the returned change of address notification that had been sent to her house.



Additionally, OBWC print log records revealed that on February 12, 2018, Branum printed a 21-page document named "claim notes and scfd," after accessing the injured worker's claim file. Branum admitted to printing information contained in the injured worker's claim file for her personal benefit, violating the Code of Ethics for OBWC employees.

On October 25, 2018, Brenda Branum was indicted in the Montgomery County Court for Tampering with Records and Unauthorized Use of Computer, Cable or Telecommunications Property. On November 16, 2018, OBWC terminated Brenda Branum.

OHIO BUREAU OF WORKERS' COMPENSATION FILE ID NO: 2017-CA00019

On May 9, 2017, the Inspector General's Office received a referral from the Ohio Bureau of Workers' Compensation alleging that OBWC Accounts Receivable Manager Michelle Wedemeyer had split 50 employer credit balances into two separate refund amounts and issued two separate refund warrants to avoid having to obtain proper approval from the OBWC chief of Fiscal and Planning in violation of OBWC policy.

The OBWC policy *Procedures to Balance Refunds*, states:

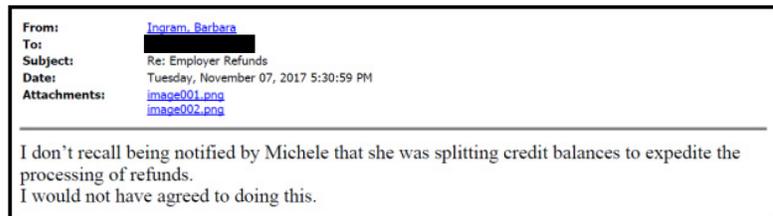
Any refund amounts greater than \$5,000 will have been released manually. If a refund is greater than \$50,000 there must be evidence that the refund has been approved by the CFO and if greater than \$100,000 the refund must be approved by both the CFO and Administrator.

These approval thresholds were further described in the *OBWC Signatory Authority Update*, revised August 24, 2016, which defined the parameters associated with OBWC signature authority.

The Inspector General's Office interviewed Wedemeyer who stated, excluding the transactions she had processed in the fall of 2016, that she "hardly, almost never" split the credit balances and refunded only a portion of the employer's credit balance. Wedemeyer also acknowledged that she was aware when additional approval of a refund was required by OBWC policies. Wedemeyer admitted to investigators that she split employers' credit balances into two separate warrants. However, Wedemeyer noted that she did not release any manually generated refunds greater than her signatory authority of \$50,000; that all the refunds were appropriate and valid; and the employers were entitled to the refunds.

Wedemeyer further told investigators she believed that her supervisors only had to be notified when she was refunding a portion of the balance and that they did not need to approve the partial refund. However, OBWC Chief of Fiscal and Planning Barb Ingram responded to an investigator's request on November 7, 2017, that she did not recall being notified that "... she [Wedemeyer] was splitting credit balances to expedite the processing of refunds." Ingram then commented, "I would not have agreed to doing this."

The Inspector General's Office determined Wedemeyer's actions of splitting employer refunds were not permitted by OBWC procedures and that Wedemeyer circumvented the *Administrator's Signatory Authority* directive requiring the chief of Fiscal and Planning to approve the refund of employer credit balances exceeding \$50,000.



Michelle Wedemeyer received corrective action and the chief of Fiscal and Planning and director of Accounting implemented additional procedures to increase the oversight of and monitoring of employer credit balance refunds. The Inspector General's Office issued additional recommendations to further improve the oversight and monitoring of this process.

OHIO BUREAU OF WORKERS' COMPENSATION FILE ID NO: 2017-CA00026

On June 27, 2017, the Ohio Bureau of Workers' Compensation (OBWC) reported to the Inspector General's Office that (former) OBWC Public Employment Risk Reduction Program (PERRP) Director Glenn McGinley had issued a written reprimand to OBWC Industrial Safety Hygienist 4 Maria Rupert for exercising "poor judgement – secured evidence herself from a fatality scene." OBWC explained that Rupert had improperly collected a safety vest as evidence from a fatality scene and later discarded it. The investigation involved an incident which occurred on May 11, 2015, in which a Suffield Township worker was struck and killed while sealing cracks in the roadway. The public worker had been wearing a safety vest, and Rupert was assigned to investigate the incident.

When the Inspector General's Office asked McGinley to explain the written policies and procedures for the collection of evidence by PERRP employees, he replied that "there were no specific policies for '... taking, securing, and disposing of evidence or materials.'" McGinley stated that Rupert and her coworkers received both formal and informal training on conducting enforcement inspections and investigations. McGinley explained that PERRP investigators were verbally informed during training that they were not permitted to collect physical evidence without first notifying him, and added that the investigators were not issued any evidence collection materials.

Also on June 27, 2017, OBWC provided to investigators a June 8, 2017, email Rupert forwarded to McGinley and Program Administrator Renee Peck from a Suffield Township

fiscal officer. The fiscal officer was inquiring about the whereabouts of a safety vest obtained from a fatality scene that occurred in Suffield Township. Rupert stated in the forwarded email to McGinley and Peck that, “I had possession of this vest, but, foolishly, after keeping it for about a year, I discarded it, thinking that there was no more need to retain it. I do have several pictures of it, which are attached.”

The Inspector General’s Office interviewed Maria Rupert on October 2, 2017. During the interview, Rupert stated that she generally did not collect evidence as part of her job duties, but admitted she had done so while investigating the Suffield Township injured worker fatality. Rupert explained that she was evaluating whether the safety vest met American National Standards Institute requirements.

Rupert stated that she was unaware of any written agency directives prohibiting the collection of evidence but believed there was a verbal directive. Rupert recalled there were regular staff meetings which included an educational segment and reviews on investigative techniques, and that the topic of evidence was part of those discussions, but she could not recall any discussions about the securing of evidence.

McGinley confirmed that, in his position, he completed the review of the investigative reports and all the safety compliance citations that are issued by his department. McGinley further stated that documentation of the vest would not have been required since it was immaterial to the case. However, McGinley acknowledged that since photographs of the vest were included in the report, there should have been documentation recounting the photographing of the vest, which was not provided. The Inspector General’s Office determined that McGinley’s supervisory review failed to identify the inaccuracies in the investigative report.

During this investigation, McGinley stated the only training materials available to PERRP personnel for reference was the federal OSHA manual, the PowerPoint training presentation he developed to train investigators, and the PERRP Compliance Investigation Cheat Sheet. However, all three of these reference materials provided guidance as an overview. As such, it was difficult for the PERRP investigative staff to verify that they were complying with OBWC investigative policies and procedures. McGinley further confirmed that there were no other specific written policies and procedures concerning enforcement inspections and investigations available for reference within the PERRP unit. However, OBWC informed investigators they were developing a PERRP Field Operations Manual, which will include a chapter on evidence handling and records retention.

The Inspector General’s Office issued recommendations for OBWC to consider while developing the PERRP Field Operations Manual to ensure that investigators have a clear understanding of investigative procedures; documentation requirements; how to collect, secure, and dispose of evidence; and the process to be used by supervisors when reviewing the investigative report and case file.

PROFESSIONAL INVOLVEMENT IN THE COMMUNITY

2018 Targeting Fraud – Safeguarding Integrity Conference

On November 1 and 2, the Inspector General’s Office, in partnership with Franklin University, National White Collar Crime Center, Ohio Ethics Commission, and Ohio Investigators Association, presented the two-day training conference entitled Targeting Fraud – Safeguarding Integrity. In observance of National Fraud Awareness Week, the 2018 conference examined a wide range of topics encompassing the many aspects of fraud. The conference featured 10 high-profile speakers including Michele Stuart, who explored the subject of internet profiling and open source investigations; Special Inspector General for Afghanistan Reconstruction John Sopko, who surveyed several noteworthy investigations; and Jesse Wimberly, who spoke about the registering of medical marijuana patients and the licensing of dispensaries.



For seven years, the Targeting Fraud – Safeguarding Integrity conference has presented a wide spectrum of topics that have captured the critical and complex facets of fraud, waste, and abuse. The conference has attracted hundreds of participants from throughout the Midwest, expanding its efforts to share knowledge with organizations and institutions, and fostering ties with various investigative entities.



Deputy Inspector General Dolby Earns Award

On December 13th, 2018, Deputy Inspector General Susan Dolby was presented the Ohio Investigators Association’s Investigator of the Year Award for a series of noteworthy investigations she conducted uncovering problems with the procurement practices of the Ohio Department of Administrative Services (ODAS) Office of Information Technology (OIT). Specifically, Dolby evaluated ODAS OIT’s use of IT consultants, who are often paid more than \$200 per hour for a single consultant. Many of these IT contracts are routinely awarded without a competitive procurement process to the same companies and individuals year after year. ODAS OIT has spent millions of taxpayer dollars on these contracts. Dolby’s investigations of ODAS OIT’s procurement practices exposed a lack of procurement integrity controls that undermined a marketplace in which qualified companies can fairly compete for state of Ohio business. Additionally, Dolby’s efforts resulted in ODAS OIT instituting numerous corrective actions to address these issues.



Susan Dolby has had a notable and extensive investigative career; dedicated to identifying illegal activities and government wrongdoing. Dolby earned a Bachelor of Arts degree in Sociology/Criminology from Ohio University. From 1996 thru 2007, Dolby served the Ohio Attorney General’s Office receiving three promotions as an investigator within the Charitable Law Section. In addition, from 2007 thru 2012, Dolby served as a special investigator with the Ohio Ethics Commission and was responsible for investigating allegations of criminal misconduct involving government officials and employees.

Deputy Inspector General Dolby is representative of the hard work and continuing accomplishments achieved every year by the staff of the Inspector General’s Office.

Inspector General’s Office Participates in Buckeye Boys State Program

On June 13, 2018, the Inspector General’s Office once again participated in the American Legion Buckeye Boys State (BBS). Founded in 1936, BBS is an eight-day hands-on experience “... in the operation of the democratic form of government, the organization of political parties, and the relationship of one to the other in shaping Ohio government.” During this event hosted by Miami University in Oxford, Ohio, various sessions were presented providing applicable information on how the different sections of state government interact and function. Representing the Inspector General’s Office, Deputy Inspector General Becky Wolcott and Investigative Support Specialist Kerri Kellogg advised eight young men on how to establish a working inspector general’s office, defining its duties, and conducting investigations. BBS is the largest Boys State program in the nation with an attendance of over 1,200 young men annually, representing students from nearly 600 Ohio high schools and the home-schooled community.



Deputy Inspector General Meets with Kent State Students and Senator Vernon Sykes

On October 22, 2018, Deputy Inspector General Becky Wolcott met with Dr. Vernon Sykes and 24 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, affording them the chance to explore the option of public service as a career choice. CPSI participants gain a deepened understanding of state governance and the prospect to develop professional contacts and attain valuable pre-career skills. Wolcott presented to the students an overview of the Inspector General's Office mission and presented several examples of significant investigations conducted by the office. Wolcott underscored the value of the office's reports of investigation and how they effect the establishment of improved administrative policies and procedures used in state government, promoting integrity in its public servants.



Dignitaries from China, India, Pakistan, Nepal, and Serbia Visit the Inspector General's Office

Since 2012, the Inspector General's Office has participated in a special program coordinated by the International Visitors Council (IVC) of Columbus. IVC, which is affiliated with the U. S. Department of State, organizes the opportunity for international government officials to visit the Central Ohio area and meet with state government officials. IVC was established in 1965 "... 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."

In 2018, Inspector General Meyer spoke to 26 delegates representing five countries: China, India, Pakistan, Nepal, and Serbia. During these meetings, the inspector general examined the role of the office and its mission to investigate corruption and preserve government accountability. Inspector General Meyer promoted the need for the office's legislated responsibility to combat corruption and expressed to the delegates how the office can serve as a model of what could be established in their respective countries.

During the last eight years involved with the IVC program, Inspector General Meyer has met with 185 delegates representing 19 countries.



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.

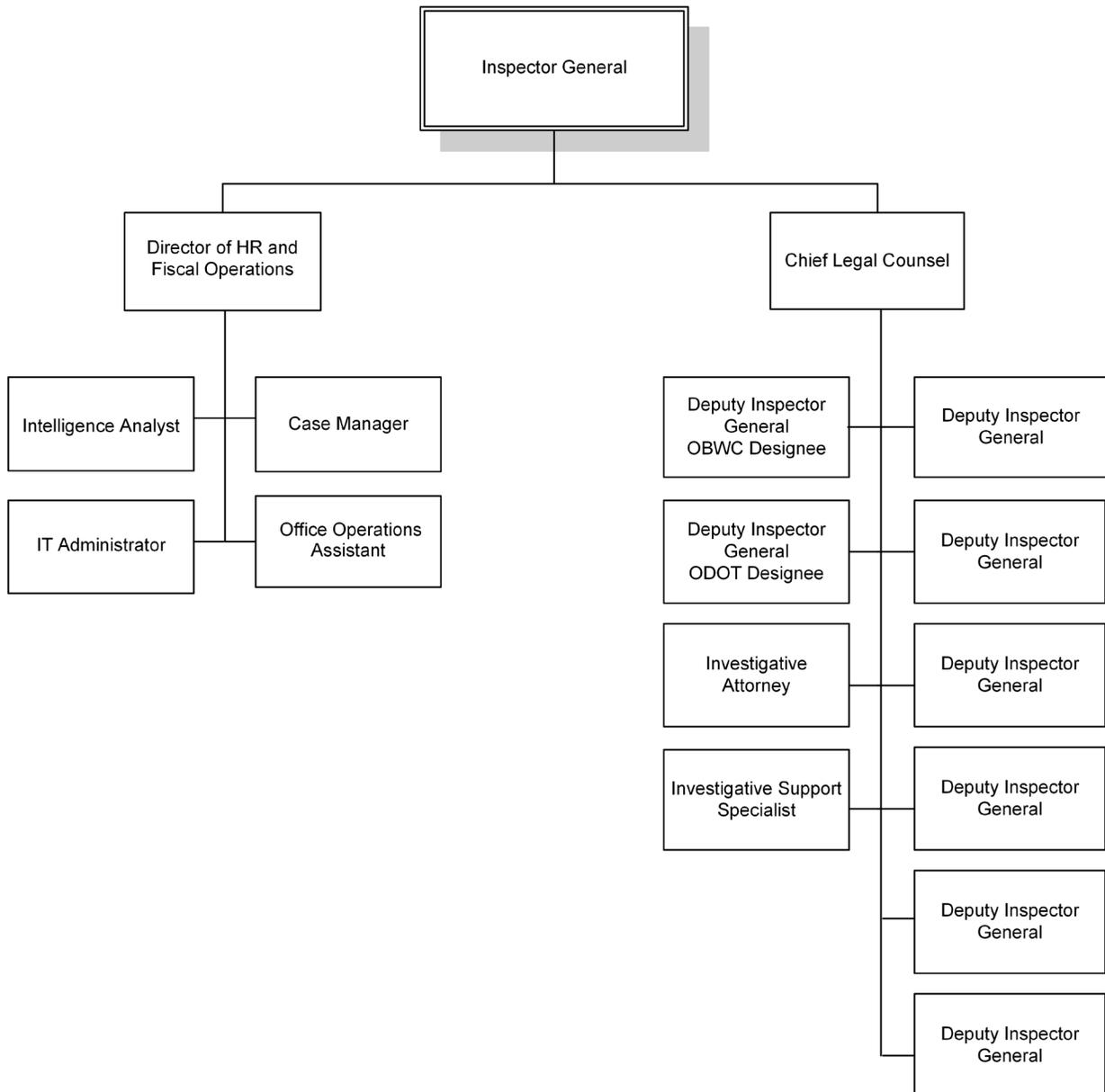
At the conclusion of an investigation conducted by the deputy inspector general for the bureau of workers' compensation and industrial commission, the deputy inspector general shall deliver to the board, the administrator, the industrial commission, and the governor any case for which remedial action 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

Mailing Address:

Office of the Ohio Inspector General
James A. Rhodes State Office Tower
30 East Broad Street, Suite 2940
Columbus, Ohio 43215-3414

Phone:

(614) 644-9110 (General Line)
(800) 686-1525 (In State Toll-Free)
(614) 644-9504 (FAX)

Email and Internet:

oig_watchdog@oig.ohio.gov (Email)
watchdog.ohio.gov (Website)

Join us on Facebook:



facebook.com/ohio.inspector.general

Follow us on Twitter:



[@OhioIG](https://twitter.com/OhioIG)



REPORT FRAUD, WASTE, OR ABUSE

Website: www.watchdog.ohio.gov

Email: oig_watchdog@oig.ohio.gov

Office of the Ohio Inspector General
Rhodes State Office Tower
30 East Broad Street - Suite 2940
Columbus, Ohio 43215-3414
Phone: 614-644-9110
FAX: 614-644-9504
Toll Free: 800-686-1525