



Ohio Department of Natural Resources

MIKE DeWINE, GOVERNOR

MARY MERTZ, DIRECTOR

July 30, 2020

Randall Meyer
Inspector General
Office of the Ohio Inspector General
30 E. Broad Street, Suite 2940
Columbus, Ohio 43215

RE: Report of Investigation 2018-CA00043

Dear Inspector General Meyer,

I am writing in response to the recommendations made in your Report of Investigation 2018CA-00043. I appreciate the input provided in your report as my administration takes seriously the importance of instructing employees on their obligations under Ohio's ethics laws. In furtherance of this, in 2019 every ODNR employee completed a one-hour *Ohio Ethics Law E-Course* developed by the Ohio Ethics Commission.¹ This, or a substantially similar ethics law course will continue to be required yearly. In addition, my in-house counsel will continue to conduct division-specific ethics trainings to staff throughout the Agency.

Understanding the continuous need to advance our efforts to ensure the most fair and ethical practices, we have taken the following actions in response to your recommendations:

Recommendation:

Review the conduct of identified Ohio Department of Natural Resources employees and determine whether administrative action is warranted.

Response:

Assigning duties and allocating labor to complete those duties is a management responsibility. Upon review of the report and recommendations of the Inspector General, we determined that the responsibility for the decisions in these matters rested with the upper level management, who are no longer employees of ODNR. We have conducted trainings to educate our current employees on ethics policies and have a committee to review the scope of the Carpentry Shop going forward. Current employees named in your report that were involved in activities deemed improper have been individually counseled.

¹ There were a few employees who were out of the office on extended disability leave during the last months of 2019 who were unable to complete this training.

We have restructured our operations such that the nepotism policy is followed on paper and in practice. We believe these actions sufficiently address the findings of this report for current ODNR employees.

Recommendation:

Ensure that the Ohio Department of Natural Resources and Division of Forestry are aware of the requirements of, and are properly following, Ohio Revised Code § 125.035 (Requisite procurement programs).

Response:

The Department of Administrative Services' Office of Procurement Services offers web-based training on the state purchasing policy (PM-01). The purpose of PM-01 is to provide general purchasing guidance to assist state agencies with exercising appropriate purchasing authority. Based on your recommendation, I will be requiring all permanent ODNR staff to complete this training.

Recommendation:

Ensure that the Ohio Department of Natural Resources and Division of Forestry are aware of and are properly following Ohio Administrative Services Directive No. HR-D-02, *Nepotism*.

Response:

ODNR and its Division of Forestry employees are aware of the requirements and restrictions set forth in Ohio Administrative Services Directive No. HR-D-02. On December 5, 2019 and again on December 12, 2019, my legal staff conducted a seventy-five-minute-long in-person ethics training, which included a discussion of Ohio's nepotism laws. These trainings were attended by Division of Forestry supervisors and managers, and other staff that work at the carpentry shop, including the remaining employees listed in your report. This training was provided in addition to the one-hour ethics training (*Ohio Ethic Laws E-Course*, developed by the Ohio Ethics Commission) that all ODNR employees are required to complete yearly, which also includes the topic of nepotism.

Additionally, we have restructured our operations such that the nepotism policy is followed on paper and in practice. We believe these actions sufficiently address the findings of this report for current ODNR employees.

Recommendation:

Continue to make the changes as outlined in the Ohio Department of Natural Resources' response to the Office of the Ohio Inspector General with respect to Report of Investigation 2018-CA00042.

Response:

ODNR continues to implement the changes outlined in its response to OIG Report No. 2018-CA00042, including the following:

- a. On November 18, 2019, the Division of Forestry updated its internal policies to include a detailed Wood Products Inventory policy that tracks and inventories all wood products, including milled logs and dimensional lumber. That policy remains in effect.
- b. The Division of Forestry has also completed an inventory of lumber at all state forest units, including the carpentry shop and all lumber produced at the Zaleski sawmill. Lumber was counted and incorporated into the inventory tracking system. This inventory tracking system will remain in effect and be routinely updated.
- c. ODNR has convened a Carpentry Shop Committee consisting of one member of Ohio's Forestry Advisory Council, one representative from the forest products industry, and a representative from the Ohio Office of Budget and Management. Their work is supported by four Forestry Division employees. This Committee is charged with evaluating the appropriate scope of products that the carpentry shop should produce as well as evaluating the use or salvage of any existing equipment at the carpentry shop. Thus far, the Committee met in person on February 25, 2020 and virtually on June 18, 2020 and July 20, 2020. We anticipate receiving a report from the Committee in the coming weeks. After we receive that report, Chief Dan Balsler and I will review the recommendations and adopt any necessary policies.
- d. On December 1, 2019, the Division of Forestry paused all production of activities involving resale of products, production of items for internal uses, or production of promotional items at the Scioto Trail Carpentry Shop. That pause currently remains in effect while the Carpentry Shop Committee completes its review.

Your investigation has been very helpful by instigating a thorough examination of the purposes of the Carpentry Shop and what we might hope to achieve with its work. My understanding has been that its purpose was not to produce revenue, despite the comments of staff. Their internal agency focus has been to provide timely, responsive and high quality work to meet the unending infrastructure needs of ODNR properties that are highly visited by the public, whether a state park, a state forest, a natural area or preserve or a wildlife area, or any of our many field offices. And in this, I know their work has been appreciated by visitors across Ohio. But I appreciate the need to re-examine this portfolio and to determine if those needs are better met by other commercial producers in Ohio, at a lower cost.

Part of their work has been to produce promotional products to highlight and develop public interest in and appreciation of the very important forest products industry in Ohio. Ohio leads the nation in the economic value of our hardwood furniture industry, and Ohioans produce some of the finest wood products in the nation. Part of ODNR's mission is to educate and encourage

awareness of this economic engine in Ohio. To that end, distribution of promotional products is not a financial loss, but an educational opportunity similar to participating in a travel and tourism show to educate on places to visit in Ohio. We will continue to evaluate these efforts to make sure they are worthwhile and produce value.

And while there are fair questions about the cost of the Sherman Cabins, I understand this was also an effort to develop valuable skills in the DRC population. Incorporating the value of that effort is something that would have been analyzed at management levels. While we currently are not continuing this program, my understanding is that this was an investment that prior management of both ODNR and DRC thought was worthwhile to prepare a workforce for an industry important in Ohio. Some of these intangibles are tough to value. Nonetheless, all of this is due for review and I assure you that we will ensure appropriate procedures and processes are in place to ensure that any work done is with the interests of Ohio citizens first.

I appreciate the opportunity to provide our responses. Please do not hesitate to contact me if you have any questions about these actions.

Thank you,

A handwritten signature in blue ink that reads "Mary C. Mertz". The signature is written in a cursive style with a large, looping "M" and "C".

Mary Mertz
Director, Ohio Department of Natural Resources