

STATE OF OHIO
OFFICE OF THE INSPECTOR GENERAL

RANDALL J. MEYER, INSPECTOR GENERAL

REPORT OF
INVESTIGATION



AGENCY: OHIO DEPARTMENT OF NATURAL RESOURCES,
DIVISION OF FORESTRY
FILE ID NO.: 2018-CA00043
DATE OF REPORT: JUNE 4, 2020

The Office of the Ohio Inspector General ... The State Watchdog

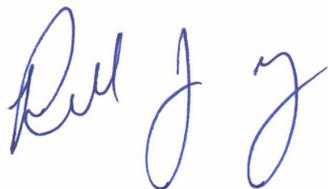
“Safeguarding integrity in state government”

The Office of the Ohio Inspector General is authorized by state law to investigate alleged wrongful acts or omissions committed by state officers or state employees involved in the management and operation of state agencies. We at the Inspector General’s Office recognize that the majority of state employees and public officials are hardworking, honest, and trustworthy individuals. However, we also believe that the responsibilities of this Office are critical in ensuring that state government and those doing or seeking to do business with the State of Ohio act with the highest of standards. It is the commitment of the Inspector General’s Office to fulfill its mission of safeguarding integrity in state government. We strive to restore trust in government by conducting impartial investigations in matters referred for investigation and offering objective conclusions based upon those investigations.

Statutory authority for conducting such investigations is defined in *Ohio Revised Code §121.41* through *121.50*. A *Report of Investigation* is issued based on the findings of the Office, and copies are delivered to the Governor of Ohio and the director of the agency subject to the investigation. At the discretion of the Inspector General, copies of the report may also be forwarded to law enforcement agencies or other state agencies responsible for investigating, auditing, reviewing, or evaluating the management and operation of state agencies. The *Report of Investigation* by the Ohio Inspector General is a public record under *Ohio Revised Code §149.43* and related sections of *Chapter 149*. It is available to the public for a fee that does not exceed the cost of reproducing and delivering the report.

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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 hold the public trust.



Randall J. Meyer
Ohio Inspector General



STATE OF OHIO
OFFICE OF THE INSPECTOR GENERAL
RANDALL J. MEYER, INSPECTOR GENERAL

REPORT OF INVESTIGATION

FILE ID NUMBER: 2018-CA00043

SUBJECT NAME/POSITION: James Zehringer
Director – Ohio Department of Natural Resources

Robert Boyles
Assistant Director – Ohio Department of Natural Resources
Chief – Division of Forestry

Don Karas
Program Administrator – Division of Forestry

Kenneth “Kenny” Boggs
Carpentry Supervisor – Division of Forestry

Heath Boggs
Equipment Operator 2 – Division of Forestry

AGENCY: Ohio Department of Natural Resources
Division of Forestry

BASIS FOR INVESTIGATION: Complaint

ALLEGATIONS: Improper Practices; Lack of Supervision;
Nepotism

INITIATED: October 11, 2018

DATE OF REPORT: June 4, 2020

INITIAL ALLEGATION AND COMPLAINT SUMMARY

On October 9, 2018, the Office of the Ohio Inspector General received two anonymous complaints against the Ohio Department of Natural Resources (ODNR). The first complaint alleged that in 2013, ODNR Division of Forestry (ODNR DOF) Chief Robert Boyles ordered the ODNR DOF carpentry shop to construct a conference room table for use at ODNR administrative offices made of solid walnut that was harvested from the state forests. The carpenters reportedly spent a year constructing the table and, due to its size, a crane was rented and windows removed from the ODNR director's office in order to install the table. It was also alleged that ODNR DOF Carpentry Supervisor Kenny Boggs was allowed to operate the carpentry shop without oversight, where countless items were produced as gifts to legislators and others using taxpayer dollars.

BACKGROUND

Ohio Department of Natural Resources

The Ohio Department of Natural Resources is charged with overseeing the use, preservation, and conservation of the state's natural resources through a wide variety of recreational and regulatory programs. The department's areas of responsibility include Ohio's wildlife, forests and other natural areas, state parks, inland lakes and waterways, geological and mineral resources, and the Lake Erie coastline. The department also regulates the issuance of hunting and fishing licenses and watercraft registrations and enforces provisions of state law related to natural resources and conservation. Overall, the department is responsible for more than 640,000 acres of land and over 120,000 acres of inland waters.¹

Applicable Policies and Statutes

- ORC §1501.07 - *Public service facilities in state park.*

The department of natural resources through the division of parks and watercraft may plan, supervise, acquire, construct, enlarge, improve, erect, equip, and furnish public service facilities such as inns, lodges, hotels, cottages, camping sites, scenic trails, picnic sites, restaurants, commissaries, golf courses, boating and bathing facilities, and other similar facilities in state parks reasonably

¹ Source: Biennial budget documents and ODNR website.

necessary and useful in promoting the public use of state parks under its control and may purchase lands or interests in lands in the name of the state necessary for those purposes.

- Ohio Department of Administrative Services Directive No. HR-D-02

Nepotism Policy

All public officials and state employees are prohibited from authorizing or using the authority or influence of his or her position to secure the authorization of employment or benefit (including a promotion or preferential treatment) for a person closely related by blood, marriage or other significant relationship including business association. This includes, but is not limited to the following circumstances:

Supervision

1. Except as provided in Section D, no public official or employee shall supervise any person closely related by blood, marriage or other significant relationship including business association.

INVESTIGATIVE SUMMARY

During the course of this investigation, investigators for the Office of the Ohio Inspector General conducted interviews of Ohio Department of Natural Resources, Division of Forestry employees at the Scioto Trail State Park carpentry shop, located in Chillicothe, Ohio, and employees at the Division of Forestry offices located at the Ohio Department of Natural Resources complex located in Columbus, Ohio. Investigators also reviewed relevant ODNR policies and Ohio Revised Code §1501.07. While investigating the initial allegations of wrongdoing outlined in the complaints, investigators observed and documented an additional issue as outlined in this report.

Walnut conference table

Investigators obtained photographs of a large U-shaped walnut conference table located in the ODNR administration building in Columbus, Ohio. The photographs related to the cutting of the walnut tree (December 2013), construction of the table (December 2013 – January 2014), and installation of the table (February 2014). Photographs of the installation process showed the

table being so large that windows of the ODNR administration building had to be removed, and a crane had to be used to lift the table in sections into the building.

On March 25, 2018, investigators traveled to Scioto Trail State Park to interview ODNR DOF Carpentry Supervisor Kenneth Boggs. Boggs stated he had previously retired from the carpentry shop in 2010 but had received a call from ODNR DOF Chief Robert Boyles saying he had a “little project” for Boggs. Boggs stated the “little project” was the construction of a large walnut conference table. Boggs told investigators he was requested to design the conference table in the shape of a tree and to leave a “live edge²” on the table. After further review, the design of the table was changed to a U-shape. Investigators asked Boggs if he estimated any costs for the construction of the table. Boggs stated he did not estimate any costs, nor did he receive any estimates from Boyles or his (Boggs’) supervisor, ODNR DOF Program Administrator Don Karas.

Investigators conducted two interviews with ODNR DOF Program Administrator Don Karas, occurring on January 15, 2019, and November 1, 2019. Karas was asked about the construction of the conference table; however, he stated that the project had occurred prior to his being re-hired by ODNR. Karas explained he had previously retired but was contacted by Boyles with a request that he return to work part-time. Karas stated that on his first day back at work, he was shown the completed conference table located in the administration building. Karas explained that now-retired ODNR Engineer Jerry Reed had been in charge of having the table installed into the building. Karas was asked if he had ever seen any estimates for the cost of the construction of the table and he replied, “No.”

Carpentry Supervisor Kenny Boggs supplied investigators with a detailed construction plan of the table, which was 15’ wide by 24’ long. ODNR provided investigators with documents pertaining to the installation of the table into the ODNR administrative building. The documents specified the weight of the table was 1.2 tons. The documents further revealed that the ODNR administrative building where the table was to be installed was under construction. Emails

² Live edge or natural edge is a style of furniture where the furniture designer or craftsperson incorporates the natural edge of the wood into the design of the piece.

supplied by ODNR stated that the Glass Doctor of Northeast Ohio agreed to install the table into the conference room of the administrative building at a cost of \$5,380.76.



Photos 1 and 2: Sections of walnut table being lifted by crane into ODNR administration building.





Photo 3: Walnut table in conference room of ODNR administration building.

Employees working out of assigned positions

On November 15, 2018, investigators traveled to the DOF carpentry shop located at Scioto Trails State Park to speak with Kenneth (Kenny) Boggs. Upon their arrival, investigators were met by Kenny's son, Heath Boggs. Heath explained his father was unavailable due to a family emergency. Heath told investigators he had been employed at Scioto Trails with the DOF as an equipment operator since 2010; however, he helped his father in the carpentry shop when needed. Heath explained that his father, Kenny, had retired from the ODNR DOF carpentry shop in 2010, but in 2013 received a call from Boyles asking him to return part time to construct a conference table for Zehringer's office. Heath stated that due to the size of the table, and the fact that Kenny was the only one working in the carpentry shop, Heath was sent to the shop to assist his father.

Investigators learned that Heath's job title was equipment operator 2, which was a classified, pay range 6 position under the Ohio Civil Service Employees Association (OCSEA) bargaining unit 06. Carpentry positions, however, are compensated at the higher rate of pay, range 7. Heath was being paid in the equipment operator 2 range rather than the carpentry pay range during the time

he was working in the carpentry shop. Investigators questioned Heath about how he was able to be supervised by his father in the carpentry shop when his official position was an equipment operator. Heath explained that he reported to ODNR DOF Program Administrator Don Karas, and not his father. When asked how often Karas was present at the carpentry shop, Heath replied, "About once a week."

On January 10, 2019, investigators interviewed ODNR DOF Chief Robert Boyles. When Boyles was asked about Heath working in the carpentry shop, Boyles said Heath was working in the shop with two other DOF employees. Boyles was asked why Heath was working out of his assigned position and why his father, Kenny Boggs, was supervising him. Boyles stated, "Because he has the talent to do what we need him to do." Boyles stated the other two DOF carpentry shop employees were supervised by Kenny. Boyles stated, "Heath reports to Brian Kelly but Don Karas supervises the carpentry shop." Investigators asked Boyles if his explanation was nothing more than semantics, to which Boyles replied, "Call it what you want."

Investigators reviewed Ohio Department of Administrative Services Directive No. HR-D-02, *Nepotism Policy*, which states that a public official or state employee is prohibited from authorizing or using the authority or influence of his or her position to secure the authorization of employment or benefit (including a promotion or preferential treatment) for a person closely related by blood, marriage or other significant relationship, including business association.

Sherman cabins project

During the March 25, 2018, interview with Kenny Boggs conducted at the Scioto Trail carpentry shop, Kenny showed investigators stacked lumber that had been milled on-site to be used in the production of Sherman Cabins. The Sherman Cabins project is a collaboration between ODNR and the Ohio Department of Rehabilitation and Correction (ODRC) and was initiated in 2017 to construct and install new cabins at state parks throughout Ohio. The initial order was for ODNR to manufacture 60 cabins; however, the order was later increased. Investigators were told by numerous sources that the total cost for each cabin to be manufactured was approximately \$10,000. Investigators then reviewed documents supplied by the DOF and discovered the cost of the lumber alone to manufacture each cabin was \$10,534.50. Investigators also determined that

the estimate provided to them of \$10,000 to construct one cabin did not include costs related to labor, furnishings, hardware, transportation of materials, kiln wood drying, waste removal, and the use of manufacturing equipment. Investigators further discovered that problems had been encountered with the furniture, flooring, and paneling in the cabins, which resulted in much of the work having to be repaired or reconstructed.

Investigators were unable to determine what was actually expended to manufacture each individual cabin, since expenses related to labor, waste, transportation, and fuel costs were never tracked by ODNR. Investigators were told by Carpentry Supervisor Kenny Boggs that he too had been told the cabins would cost approximately \$10,000 to manufacture; however, he added that after including all other costs involved, a \$10,000 cabin would become a \$60,000 cabin. Boggs speculated whether it would have been easier and cheaper to purchase cabin kits from an outside manufacturer.

Equipment

During the tour of the carpentry shop conducted on November 15, 2018, Heath Boggs showed investigators several items that were being manufactured. These items included walking sticks, coasters, puzzles, chairs, and tables and a number of the pieces were laser engraved. Heath showed investigators an Epilog Laser Fusion M2 50-watt engraver that he used to engrave the items. Heath explained he had not received any training on the use of the machine; however, he assumed the responsibility of operating the engraver because he was the only person at the carpentry shop who had the ability to use a computer. Heath stated he was directed to use the laser engraver to produce items such as puzzles and coasters to sell at the welcome center in Hocking Hills. Heath was asked if there was a need for the laser engraver prior to making these items. Heath replied, "They don't buy us equipment we need, they buy us equipment they want to give us."

During an interview with Don Karas conducted on November 1, 2018, investigators asked Karas about the engraver. Karas stated that DOF had purchased two laser engravers. He said one was currently at Zalenski State Forest, and the other at the carpentry shop at Scioto Trails. Karas stated he was asked by Boyles to personalize walking sticks in the carpentry shop, so Karas

purchased a wood burner. However, Karas noted the burner performed poorly and it was at that time when Boyles directed Karas to purchase a laser engraver.

Investigators located the purchase orders for the laser engravers; an Epilog Mini 1812 40-Watt Laser System and an Epilog M2 Fusion 32 CO2 50-Watt Laser System. The Epilog Mini 1812 was purchased for \$13,340 on December 5, 2014, from a minority business enterprise (MBE) company, Davis Laser Products, located in Columbus, Ohio. On November 19, 2019, investigators spoke to representatives at Epilog Laser and were informed that Davis Laser Products was not an authorized distributor for Epilog Laser. Investigators were told that the purchase by DOF through Davis Laser Products in 2014 of the Epilog Mini 1812 nullified any warranty, since the purchase of the laser by Davis Laser Products was then resold to ODNR DOF. Investigators contacted John Davis, the owner of Davis Laser. Davis acknowledged to investigators that he had purchased the laser engraver from Epilog Laser, and later resold it to the DOF.

Investigators discovered Karas, on June 4, 2018, submitted a request to purchase (RTP) from Fairway Laser Systems, an Epilog M2 Fusion 32 CO2 50-Watt Laser System for \$24,900. The RTP included justification and comments for the expenditure. For justification, Karas commented, “The laser engraver is used to produce promotional items, awards, and other engraved wood products for the ODNR and the Division of Forestry.” Investigators asked Karas about his decision to purchase a second laser engraver for almost twice the cost of the Epilog Mini 1812. Karas explained that the second laser engraver was 50-watt vs. 40-watt, which enabled the laser to burn through thicker material. Karas further explained it cut down the time involved in manufacturing items such as coasters.

Investigators noted the three quotes received for the purchase of the Epilog M2 were obtained from Fairway Laser Systems in Valparaiso, Indiana (with an agent in Dublin, Ohio), Northern Laser Systems in DeForest, Wisconsin, and Prism Sales in Raymore, Missouri. All three companies are listed as authorized dealers for Epilog Laser. During the November 19, 2019, conversation with Epilog representatives, investigators were told that perspective buyers located

in Ohio were required to purchase Epilog Laser products from the authorized Ohio dealer, and were not able to purchase their products from an Epilog Laser dealer in Wisconsin or Missouri.

On November 19, 2019, investigators asked Karas why he chose to purchase the first laser engraver through Davis Laser Products. Karas stated he could not find an MBE supplier on the Ohio Department of Administrative Services' (ODAS) website for laser engravers, so he searched for printer suppliers and found Davis Laser Products. Karas further explained that, at that time, the DOF was "behind on their MBE quota" so he was making numerous purchases from MBE vendors.

On January 10, 2019, investigators interviewed ODNR DOF Chief Robert Boyles. Boyles confirmed with investigators that no cost analysis was performed to determine if the purchase and use of a laser engraver was cost effective in the production of items such as plaques. Boyles stated laser engraving items such as coasters was expensive, but, "... You don't know what [the] true cost will be but down the road you'll know."

During Kenny Boggs' March 25, 2018, interview at the carpentry shop, investigators were shown a Leadermac 623P Moulder and JF 330 Profile Grinder purchased for \$89,453. Investigators asked Kenny Boggs what the machinery would be used for once the Sherman Cabins project was completed. Kenny stated he did not know what it could or would be used for. Kenny elaborated, stating he believed ODNR could have purchased cabin kits at a much lower cost than manufacturing them for the Sherman Cabins project. Boggs noted that he did not believe the administration asked for input from the people involved in making the cabins.

Manufacturing items to sell

During the tour of the carpentry shop conducted on November 15, 2018, Heath Boggs showed investigators some of the walking sticks, coasters, puzzles, and other items he was instructed to produce by Don Karas. Heath stated:

I've made probably 2,000 walking sticks. I've made at least two for the governor [Kasich]. I'm supposed to make some for January for the store over in Hocking Hills. I have to make coaster sets and what all else they haven't even decided ... [The carpentry

shop has] become more of a production facility ... This was not built for production. This was built to maintain facilities ... now it's become a factory.

Investigators attempted to locate the number of walking sticks that were sold at any of the state lodge gift shops, camping stores, and welcome centers. Investigators determined that the walking sticks were never sold at these venues but were given to state employees and people who participated in events such as the annual Winter Hike at Hocking Hills. It was also determined that no coasters, puzzles, furniture, or other items manufactured for sale were ever sold to the public.

During the March 25, 2019, interview with Kenny Boggs, investigators asked how he received notification to manufacture items. Kenny stated:

I've often said if they think they are going to save the DOF by stuff we sell at the parks ... if they include your wages, there ain't no way! I've said that for years! But it's always been mainly within the DOF if somebody needs a bookshelf or whatever, I just get an email saying you need to make a bookshelf so wide so tall.

Investigators asked Kenny if DOF employees who requested a bookshelf from him ever ask the cost for manufacturing the bookshelf. Kenny explained that when he received a request for a project and sought approval from Don Karas, Karas might ask him how many board feet of wood was required for the project. Boggs also noted that DOF was aware of what his rate of pay would be to manufacture the project. Kenny stated that if he was requested to make something for another division, or if the DOF was going to sell something he was making, he would be required to keep track of the cost. Kenny stated that when he was told by "Columbus" that they needed picture frames, "... that's as far as it goes for me. I just start making them." Kenny stated he was unaware of the picture frame costs related to glass or hardware. He said, "... Don Karas takes care of all that." Furthermore, Kenny showed investigators two tables he was constructing for the office of the current ODNR DOF Chief Dan Balsler. Kenny stated the carpentry shop had previously made other pieces of furniture that were placed in administrative buildings in Columbus, Ohio.

On November 1, 2019, investigators spoke to Don Karas and asked if there were any rules, policies, or procedures in place to determine the cost of manufacturing an item when a production request was sent to the carpentry shop. Karas stated that at the time items were being manufactured with the intent of selling them, there was no cost analysis performed.

Investigators reviewed ORC §1501.07 - *Public service facilities in state park*, which states:

The department of natural resources through the division of parks and watercraft may plan, supervise, acquire, construct, enlarge, improve, erect, equip, and furnish public service facilities such as inns, lodges, hotels, cottages, camping sites, scenic trails, picnic sites, restaurants, commissaries, golf courses, boating and bathing facilities, and other similar facilities **in state parks** [*emphasis added*] reasonably necessary and useful in promoting the public use of state parks under its control and may purchase lands or interests in lands in the name of the state necessary for those purposes.

Investigators noted, the furniture being constructed at the carpentry shop was for an ODNR administrative building not located within a state park.

Investigators then questioned Karas about how a determination could be made as to whether a sold manufactured item generated a loss or profit. Karas stated that since a new administration had been appointed to ODNR and the DOF, he was required to track the cost of manufacturing items and was now often billing customers for the items that were ordered and made. Karas provided investigators with a spreadsheet titled “Wood Products Tracking.” The spreadsheet outlined quotes and orders placed, with the first order dated January 31, 2019. Investigators also reviewed an order for 26 walking sticks that was placed on April 15, 2019, quoting a cost of \$703.82 (\$27.07 per walking stick).

Investigators further determined that if 2,000 walking sticks had been manufactured in the carpentry shop, as Heath Boggs stated during his interview, the total cost of producing the walking sticks would have been \$54,140 (\$27.07 x 2,000). Since the walking sticks were given to individuals and not sold, investigators determined the State of Ohio incurred a financial loss of \$54,140.

Furthermore, investigators learned from a review of Karas' spreadsheet that the items initially intended to be sold at state lodge gift shops, camping stores, and welcome centers were instead sent to the ODNR booth for sale at the 2019 Ohio State Fair. The following chart lists the items sent to the fair, the prices they were sold for, and the corresponding prices it cost to manufacture the items.

Items Made at DOF Carpentry Shop and Sold at 2019 Ohio State Fair Booth

<u>Amount</u>	<u>Item</u>	<u>Selling Price</u>	<u>Cost to Manufacture</u>	<u>Profit</u>
7	Coaster Sets	\$24.95	\$81.83	-\$398.16
9	Walking Sticks	\$19.95	\$27.42 ³	-\$ 67.23
2	Cutting Boards	\$24.95	\$46.40	-\$ 42.90
0	Book Racks	\$24.95	\$31.05	0

Investigators determined that the items sold at the 2019 Ohio State Fair were in fact sold at a net financial loss of \$508.29.

Carpentry shop inventory

During a tour of the carpentry shop conducted by Kenny Boggs on March 25, 2018, investigators inquired how inventory records were maintained. Boggs stated the staff did not inventory wood stored in the carpentry shop. Investigators noticed approximately 60 bins and 25 stacks containing various species of lumber. Kenny stated some of the lumber had been there since the 1950s and a portion was termite infested. Investigators asked Kenny if he would be able to determine the loss if there was a fire at the carpentry shop. Kenny acknowledged that without knowing how much lumber was actually stored in each of the bins, he would not be able to determine the loss. Kenny stated when lumber in a bin appeared to be running low, they requested more of that species of lumber from the sawmill.

During an interview conducted with Karas, investigators asked him if inventory records were maintained tracking equipment used at the carpentry shop. Karas acknowledged they were

³ ODNR listed both \$27.02 and \$27.42 as costs for manufacturing walking sticks based on varying costs of wood and labor.

required to conduct physical inventories, and he provided a spreadsheet to investigators. However, Karas acknowledged the spreadsheet was not up to date. Investigators compared the items listed on the spreadsheet to what they observed at the carpentry shop and discovered several pieces of equipment in the carpentry shop that were not listed on the spreadsheet, as well as a large number of obsolete or broken items no longer in use. Investigators asked Kenny about the obsolete or broken items and he said he had asked Karas about disposing of them but had not received a response. Kenny was then reminded that ODAS has a procedure that provides direction on how state agencies can submit excess or surplus supplies for disposal.

During the course of this investigation and in response to Ohio Inspector General Report of Investigation 2018-CA00042, the Ohio Department of Natural Resources announced the following changes to the Division of Forestry, effective by March 1, 2020:

- 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.
- On December 1, 2019, the Division of Forestry halted all production activities involving resale of products, production of items for internal uses, or production of promotional items at the Scioto Trail Carpentry Shop. This shutdown allowed the division to properly inventory all lumber in the carpentry shop and identify excess lumber for resale or disposal.
- A committee was formed to assess the production of finished wood products in the carpentry shop and assess the equipment needed for the future activities. This committee consists of division employees, two members of Ohio's Forestry Advisory Council, at least one forest products industry representative, and one individual from another agency. The committee examines the appropriate scope of products that the carpentry shop should produce, develops a procedure for assessing production costs and analyzing cost effectiveness of producing items, and makes recommendations on any existing equipment to sell or salvage. This information was to be summarized in a report to the ODNR chief of the Division of Forestry. The goal was to complete the lumber inventory and the committee report by March 1, 2020.

On February 1, 2019, Assistant Director Robert Boyles retired from the Ohio Department of Natural Resources, Division of Forestry.

CONCLUSION

On October 9, 2018, the Office of the Ohio Inspector General received two anonymous complaints involving the Ohio Department of Natural Resources (ODNR). The first complaint alleged that in 2013, ODNR Division of Forestry (DOF) Chief Robert Boyles ordered the ODNR DOF carpentry shop to construct a conference table for use at ODNR administrative offices made of solid walnut that was harvested from the state forests. The carpenters reportedly spent a year constructing the table and, due to its size, a crane was rented, and windows removed from the ODNR director's office to perform the installation of the table. It was also alleged that ODNR DOF Carpentry Supervisor Kenny Boggs was allowed to operate the carpentry shop without oversight, where countless items were produced as gifts to legislators and others using taxpayer dollars.

Issue: Walnut conference table was constructed for ODNR Director Zehringer

Investigators obtained information related to the walnut conference table including various photographs of the walnut tree being harvested, the construction and installation of the table, and the completed table. The photographs revealed that windows were removed from an ODNR administrative building so the table could be placed in a conference room. Investigators noted the building where the table was installed was being renovated at the time of the installation.

On March 25, 2018, investigators interviewed ODNR DOF Carpentry Supervisor Kenny Boggs at the Scioto Trail Carpentry Shop. Kenny confirmed with investigators that he, his son Heath Boggs, and two other workers built the conference table at the request of ODNR DOF Chief Robert Boyles. Kenny stated he was retired from the carpentry shop when he received a call from Boyles asking him to return to work part-time for a "little project." The project was the construction of the conference table. Boggs agreed to return to build the table and has remained employed at the carpentry shop, currently as a full-time employee.

Kenny told investigators that he did not prepare any estimates to determine how much the construction of the conference room table would cost. Furthermore, Kenny stated he was not aware of any cost estimates completed by his supervisors Robert Boyles or Don Karas.

Accordingly, the Office of the Inspector General finds reasonable cause to believe the appearance of impropriety occurred in this instance.

Investigators reviewed construction plans for the table and noted the conference table was 24' long by 15' wide and weighed approximately 1.2 tons. Investigators learned the ODNR administrative building where the table was to be installed was under renovation. Emails supplied by ODNR showed Glass Doctor of Northeast Ohio agreed to install the table into the conference room at a cost of \$5,380.76. Investigators concluded the table's construction, costs to install, and use of ODNR resources was extravagant and grandiose for its intended purpose.

Accordingly, the Office of the Inspector General finds reasonable cause to believe the appearance of impropriety occurred in this instance.

On March 25, 2018, Kenny Boggs showed investigators two tables he was constructing for the office of the current ODNR DOF Chief Dan Balser. Kenny stated the carpentry shop has previously made other pieces of furniture that were placed in administrative buildings in Columbus, Ohio.

Investigators reviewed Ohio Revised Code §1501.07 - *Public service facilities in state park*, which states:

The Department of Natural Resources through the Division of Parks and Watercraft may plan, supervise, acquire, construct, enlarge, improve, erect, equip, and furnish public service facilities such as inns, lodges, hotels, cottages, camping sites, scenic trails, picnic sites, restaurants, commissaries, golf courses, boating and bathing facilities, and other similar facilities **in state parks** [*emphasis added*] reasonably necessary and useful in promoting the public use of state parks under its control and may purchase lands or interests in lands in the name of the state necessary for those purposes.

Investigators determined the walnut conference table was constructed for use at the ODNR office complex in Columbus, Ohio and was in fact not constructed for a public service facility in a state park as outlined in Ohio Revised Code §1501.07.

Accordingly, the Office of the Inspector General finds reasonable cause to believe a wrongful act or omission occurred in this instance.

Issue: Employees working out of assigned positions

On November 15, 2018, investigators traveled to the DOF carpentry shop located at Scioto Trails State Park to speak with Carpentry Supervisor Kenny Boggs. Investigators were met by Kenny's son, Heath Boggs. Heath Boggs explained his father was unavailable due to a family emergency. Heath spoke to investigators and explained he had been employed at Scioto Trails with the DOF as an equipment operator 2, a classified position, since 2010. However, Heath Boggs was transferred to the carpentry shop to assist his father in the construction of the walnut conference table.

Investigators learned that Heath Boggs' job title was equipment operator 2, which was a classified, pay range 6 position under the Ohio Civil Service Employees Association (OCSEA) bargaining unit 06. Carpentry positions, however, begin at a higher rate of pay, range 7. Investigators noted Heath Boggs was paid as an equipment operator 2 and not at a higher rate of pay for the carpentry job he was actually performing. Investigators questioned Heath Boggs about how he was able to be supervised by his father in the carpentry shop when his official position was as an equipment operator. Heath explained that to resolve any potential issues involving his proper supervision, he was directed to report to DOF Program Administrator Don Karas instead of his father.

On January 10, 2019, investigators interviewed ODNR DOF Chief Robert Boyles. Boyles acknowledged Heath was working in the carpentry shop with two other DOF workers. When questioned why, Boyles stated, "Because he has the talent to do what we need him to do." When asked why Heath's father was permitted to be his supervisor, Boyles stated, "Heath reports to

Brian Kelly but Don Karas supervises the carpentry shop.” Investigators asked Boyles if his explanation was nothing more than semantics. Boyles replied, “Call it what you want.”

Investigators noted Ohio Department of Administrative Services Directive No. HR-D-02, *Nepotism*, prohibits a public official or employee from supervising any person closely related by blood, marriage, or other significant relationship including business association.

Accordingly, the Office of the Inspector General finds reasonable cause to believe a wrongful act or omission occurred in this instance.

Issue: Sherman Cabins project

In 2017, through a collaborative effort between ODNR and ODRC, Sherman Cabins were manufactured in Ohio to be built in state parks throughout Ohio. Investigators were informed that each cabin was estimated to cost approximately \$10,000 to manufacture and install in a park. To verify the costs they were provided, investigators reviewed documents supplied by the DOF to determine the actual costs to manufacture one cabin. Investigators discovered the stated cost of the lumber alone was \$10,534.50 per cabin. Investigators then determined that the \$10,000 total estimated cost they had been provided to cover the construction of each cabin did not include costs related to labor, furnishings, hardware, transportation of materials, kiln wood drying, waste removal, and the use of manufacturing equipment. Investigators further discovered that problems had occurred with the installation of furniture, flooring, and paneling in the cabins, resulting in much of the work requiring repairs or reconstruction.

Since expenses related to labor, waste, transportation, and fuel costs were never tracked by ODNR, investigators were unable to determine the actual total cost to manufacture one cabin. Carpentry Supervisor Kenny Boggs informed investigators that he too was told the cabins would cost approximately \$10,000 to manufacture. Kenny Boggs estimated that, after adding everything that was required to build one cabin, the cabin would probably cost \$60,000. Boggs speculated that it would have been easier and cheaper to purchase cabin kits from an outside manufacturer.

Accordingly, the Office of the Inspector General finds reasonable cause to believe the appearance of impropriety occurred in this instance.

Issue: Equipment

When investigators toured the carpentry shop on November 15, 2018, they were shown various items being manufactured. Some of these items included walking sticks, coasters, puzzles, chairs, and tables. Several of these items were laser engraved. Investigators were shown an Epilog Laser Fusion M2 50-watt engraver used by Heath Boggs to engrave the items. Heath noted he had not received any training on the use of the machine; however, he was the only staff member who operated the machine because he was the only person at the carpentry shop who understood how to use a computer. Investigators inquired if there had been a need for the laser engraver prior to the production of these specialty items. Heath replied, “They don’t buy us equipment we need, they buy us equipment they want to give us.” On November 1, 2018, investigators asked ODNR DOF Program Manager Don Karas about the engraver. Karas stated ODNR DOF Chief Boyles directed DOF to purchase two laser engravers.

Investigators located the purchase orders for the two laser engravers and discovered one unit was purchased for \$13,340 from minority business enterprise (MBE) company Davis Laser Products, located in Columbus, Ohio. On November 19, 2019, investigators spoke to representatives at Epilog Laser and were informed that Davis Laser Products was not an authorized distributor for Epilog Laser products. Investigators were told that the purchase through Davis Laser Products of the Epilog Laser engraver nullified any warranty, since the purchase of the laser by Davis Laser Products was then resold to ODNR DOF. Investigators spoke to John Davis, the owner of Davis Laser Products. Davis confirmed with investigators that he had purchased the laser engraver from Epilog Laser and later resold the machine to the DOF. Further review of the invoice showed an extended warranty was included with the purchase; however, that warranty was also nullified due to the improper purchase method.

On November 19, 2019, investigators asked Karas why he chose to purchase the first laser engraver through Davis Laser Products. Karas stated he could not find any MBE suppliers on the Ohio Department of Administrative Services (ODAS) website who sold laser engravers, so

he searched for printer suppliers and found Davis Laser Products. Karas further explained the DOF was “behind on their MBE quota” so he was making numerous purchases from MBE vendors.

Investigators asked Karas why there was a need for a second laser engraver, the Epilog M2, which was purchased for \$24,900. Karas explained that the second laser engraver was 50-watt and allowed the operator to burn through thicker material. Karas stated it reduced the time involved to manufacture certain items such as coasters.

Investigators noted the three quotes received for the purchase of the Epilog M2 were obtained from Fairway Laser Systems in Valparaiso, Indiana (with an agent in Dublin, Ohio), Northern Laser Systems in DeForest, Wisconsin, and Prism Sales in Raymore, Missouri. All three companies are listed as authorized dealers for Epilog Laser. During a November 19, 2019, conversation with Epilog Laser representatives, investigators were informed that customers located in Ohio were required to purchase Epilog Laser products from the authorized Ohio dealer. Customers in Ohio were not permitted to purchase their products from Epilog Laser dealers located in Wisconsin or Missouri.

Investigators interviewed ODNR DOF Chief Robert Boyles who confirmed no cost analysis was performed to determine whether it was cost effective to purchase laser engravers to produce in-house items such as plaques or items such as coasters that were expected to be sold by the DOF. Boyles confirmed laser engraving items such as coasters was expensive, but, “... You don’t know what [the] true cost will be but down the road you’ll know.”

Accordingly, the Office of the Inspector General finds reasonable cause to believe a wrongful act or omission occurred in this instance.

Issue: Manufacturing items to sell

On November 15, 2018, investigators toured the Scioto Trails carpentry shop with Equipment Operator 2 Heath Boggs. Heath showed investigators some of the walking sticks, coasters, puzzles, and other items he was instructed to make by Don Karas, which were intended to later

be sold in state park gift shops, camping stores, and welcome centers. Of these items, Heath claimed to have made 2,000 walking sticks.

Investigators determined none of the items had been sold in state lodge gift shops, camping stores, and welcome centers. Walking sticks, however, were found to have been given to state employees and people who participated in events such as the annual Winter Hike at Hocking Hills.

Investigators interviewed Carpentry Supervisor Kenny Boggs and asked if a cost analysis was ever performed on the manufacturing of the items to be sold. Boggs stated that no cost analysis was performed. On November 1, 2019, investigators spoke to Don Karas and asked if there were any rules, policies, or procedures in place to determine the cost of manufacturing an item when a request was sent to the carpentry shop. Karas stated that at the time the items were being manufactured with the intent to resell them, there was no cost analysis performed. Karas added that since the new administration had been appointed to ODNR and the DOF, he was required to track the costs of manufacturing items and would often bill for the items that were ordered and made.

Karas provided investigators with a spreadsheet titled "Wood Products Tracking." The spreadsheet outlined quotes and orders placed, with the first order dated January 31, 2019. On this spreadsheet, the cost to manufacture walking sticks was listed at \$27.07 per unit. Investigators further noted that, using this estimate, if Heath Boggs had made 2,000 walking sticks, with the vast majority being given away, the financial cost to the state would have totaled \$54,140.

Upon further review of the spreadsheet, investigators discovered the items intended to be sold in the state lodge gift shops, camping stores, and welcome centers were instead sent to the ODNR booth at the 2019 Ohio State Fair. Investigators concluded the selling prices for the items sold were well below the costs to manufacture them; and in fact, the items were sold at a net financial loss to the state of \$508.29.

Accordingly, the Office of the Inspector General finds reasonable cause to believe a wrongful act or omission occurred in this instance.

RECOMMENDATION(S)

The Office of the Ohio Inspector General makes the following recommendations and asks the director of the Ohio Department of Natural Resources to respond within 60 days with a plan detailing how the recommendations will be implemented. The Ohio Department of Natural Resources should:

1. Review the conduct of identified Ohio Department of Natural Resources employees and determine whether administrative action is warranted.
2. 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).
3. Ensure that the Ohio Department of Natural Resources and Division of Forestry are aware of and are properly following Ohio Department of Administrative Services Directive No. HR-D-02, *Nepotism*.
4. 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.

REFERRAL(S)

The Office of the Ohio Inspector General has determined that no referrals are warranted for this report of investigation.



STATE OF OHIO
OFFICE OF THE INSPECTOR GENERAL

RANDALL J. MEYER, INSPECTOR GENERAL

**NAME OF REPORT: Ohio Department of Natural Resources,
Division of Forestry**

FILE ID #: 2018-CA00043

KEEPER OF RECORDS CERTIFICATION

This is a true and correct copy of the report which is required to be prepared by the Office of the Ohio Inspector General pursuant to Section 121.42 of the Ohio Revised Code.

**Jill Jones
KEEPER OF RECORDS**

**CERTIFIED
June 4, 2020**

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