



OFFICE OF THE
OHIO INSPECTOR GENERAL

2019
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 673 reports of investigation resulting in 92 criminal charges, issued 1,100 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 2019 Annual Report. This report is submitted to the governor and members of the 133rd Ohio General Assembly in accordance with 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 report outlines the mission and responsibilities of the Inspector General's Office; examines the office's complaint and investigative processes and related statistics; and cites summaries of several investigations released from January 1, 2019, through December 31, 2019. During this year, 58 cases were closed and released, and more than 270 complaints were received and assessed; of which, 44 new cases were opened.



Randall J. Meyer
Inspector General

Our efforts in 2019 identified millions of tax-payer dollars lost and uncovered criminal acts impacting various state agencies. A selection of these noteworthy investigations are contained within this report. An area of ongoing concern is the procurement process of the State of Ohio. My office released multiple reports identifying significant procurement issues last year. These reports contained recommendations, that if implemented, will improve the state's purchasing practices and markedly reduce fraud and the amount of waste associated with state contracts. We will continue to aggressively pursue shortcomings in the procurement process and those who take advantage of the contracting process for personal gain.

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

Respectfully submitted,

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

Randall J. Meyer

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Mission and Responsibilities

Safeguarding Integrity in State Government

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



The jurisdiction of the Inspector General’s Office is limited to the executive branch of state government and to vendors who do business with the state. 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 or vendor 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.

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, or a vendor who does business with the state.

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.

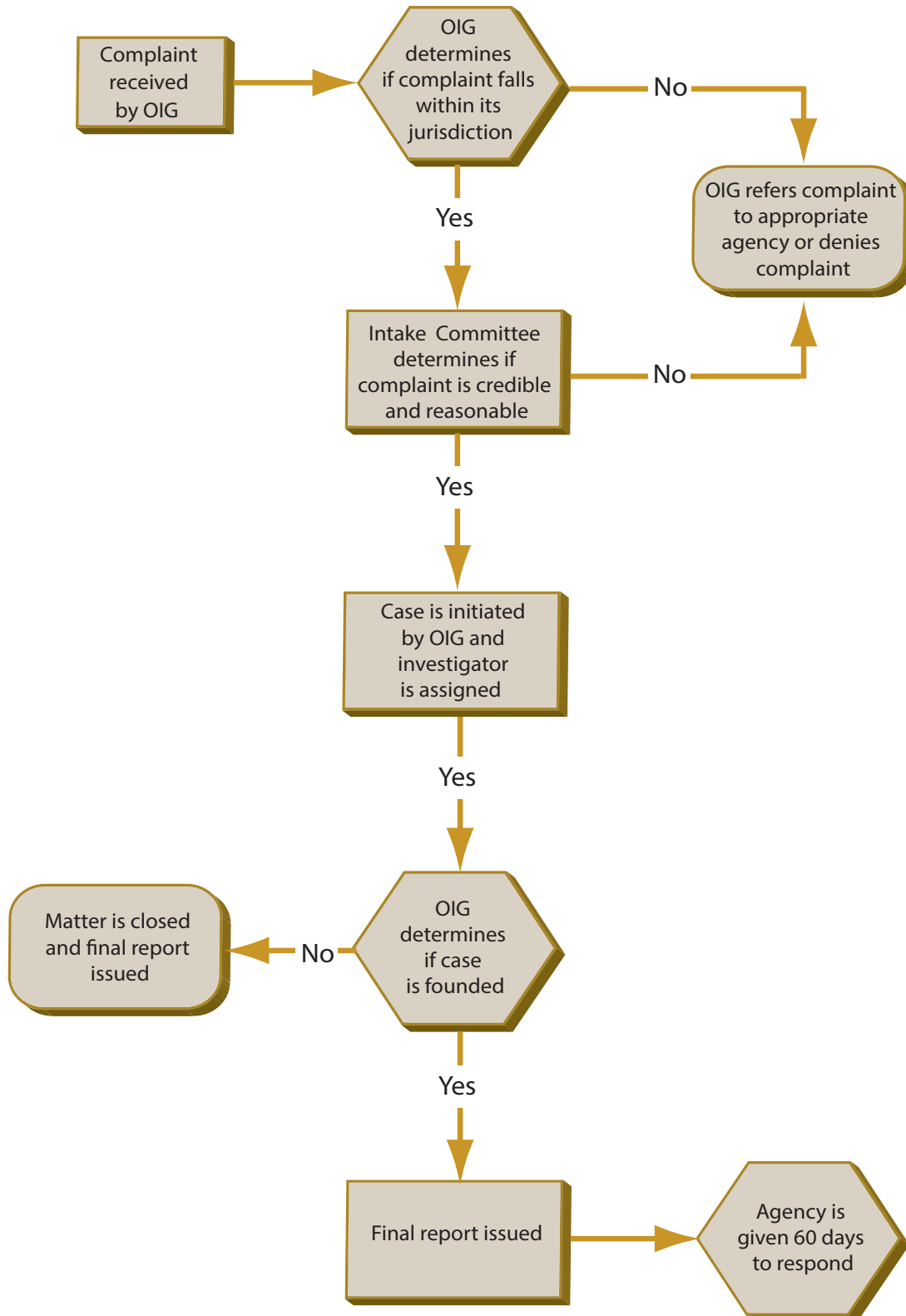
The inspector general may grant complainants or witnesses confidentiality. When appropriate, information received from complainants and witnesses may also be deemed "confidential." Confidentiality is appropriate when it is necessary to protect a witness. It is also appropriate in cases where the information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

2019 Statistical Summary

The Inspector General's Office received a total of 278 complaints in 2019. From 1990 through 2019, more than 8,700 complaints have been reviewed.

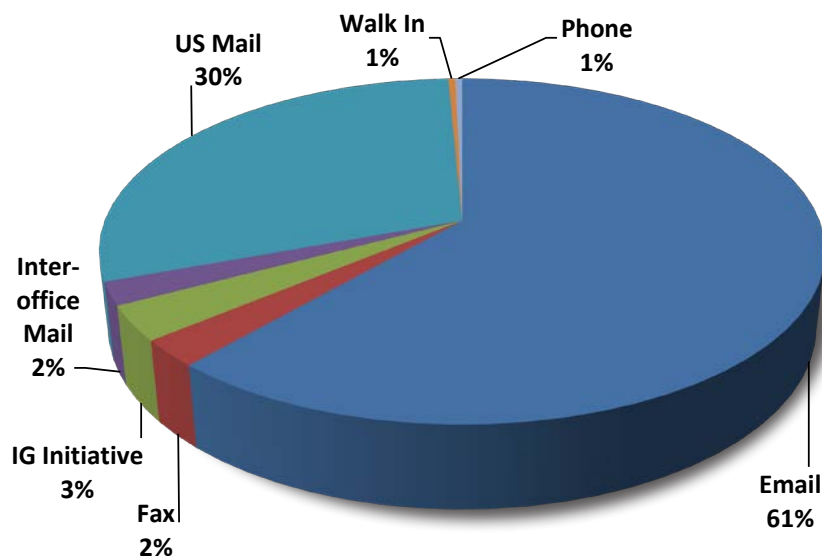
2019 Complaint Status				
	<u>GENERAL</u>	<u>ODOT</u>	<u>OBWC/ICO</u>	<u>ALL</u>
Cases Opened ¹	26	4	15	45
No Jurisdiction	72	0	0	72
Insufficient Cause	67	4	5	76
Referred	74	3	5	82
Pending ²	3	0	0	3
Complaint Totals	242	11	25	278

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 44 cases were opened in 2019, they were derived from 45 different complaints.

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

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

Methods in which Complaints were Received in 2019

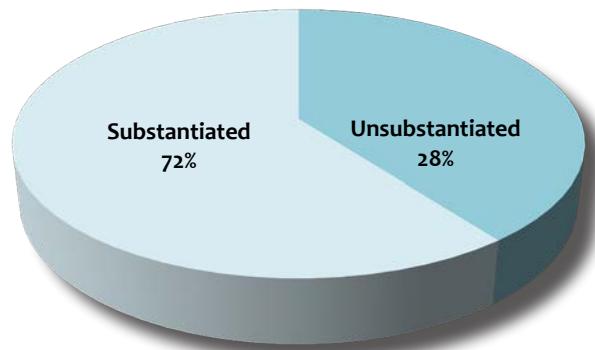


The Inspector General’s Office closed 58 cases in 2019. The number of cases closed may reflect cases that were opened in previous years. The following chart summarizes the outcome of the cases closed during the period covered by the 2019 Annual Report:

Results of Cases Closed in 2019	
Total Recommendations Made to Agencies	181 in 31 cases
Total Referrals	31 in 24 cases
Total Criminal Charges	15 in 6 cases
Identified Monetary Loss	\$3,553,476.11 in 9 cases

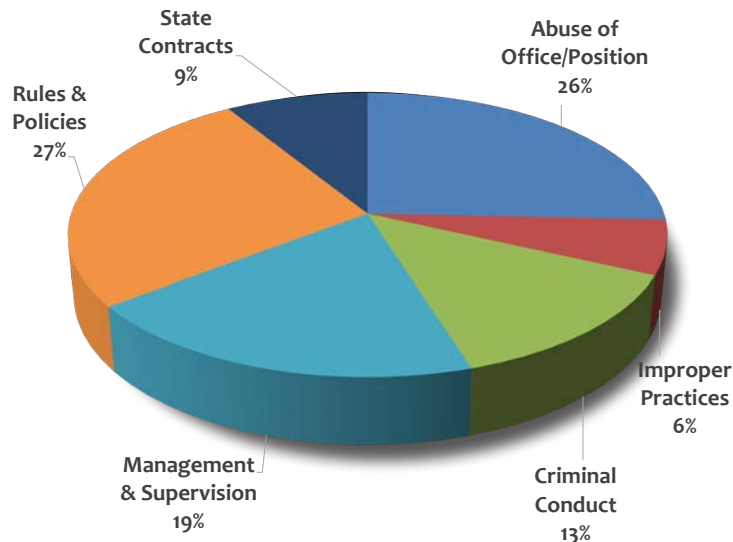
Of the 58 cases closed in 2019, the following chart illustrates the percentage of allegations in closed cases that were found to be substantiated versus those allegations that were found to be unsubstantiated.

Findings of Allegations for Cases Closed in 2019



The following chart specifies the types of wrongdoing alleged in cases closed in 2019. Cases investigated for violating rules and policies (27%) and abuse of office/position (26%) led the categories in the cases closed for 2019.

Substantiated Allegations by Type in 2019



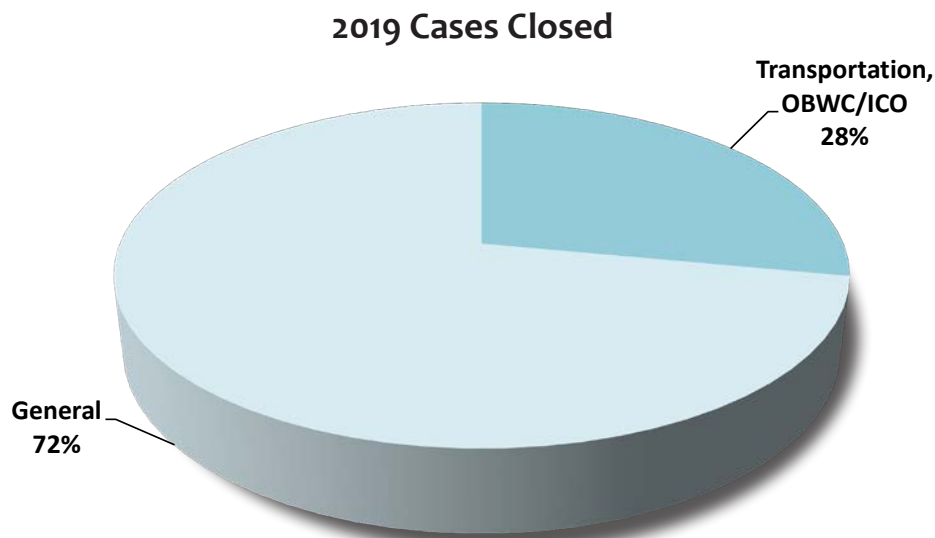
General Area

2019 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 2019, there were 26 cases opened and 42 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.



Summaries of Selected Cases - General

WRIGHT STATE UNIVERSITY

FILE ID NO: 2017-CA00001

The Inspector General's Office met with the Ohio Attorney General's Office (OAG) in 2017 to discuss a matter the OAG had uncovered involving Wright State University (WSU) and payments the university made to a consultant. Greg Sample, an employee of Wright State University and the CEO of Double Bowler Properties Corp. (Double Bowler), told OAG investigators



that prior to his appointment as CEO, Double Bowler had been paying \$9,000 a month for the lobbying services of consultant Steve Austria. Sample told OAG investigators that he could not determine what work Austria had performed since his contract began on June 1, 2014, and there was no work product evident as a result of his services. Austria's contract specified two "delivery requirements." Austria was to provide a monthly invoice that included a breakdown and distribution of charges and submit a monthly progress report outlining the services and accomplishments completed during the prior month. From a review of documents that were either submitted by Austria or subpoenaed from Double Bowler, investigators learned that Austria had submitted monthly, a two-page invoice for each month during the contract period. Activity reports showed no record of specific dates or times he worked, and only included a list of general work performed, and investigators also learned Austria performed work for entities other than Double Bowler, which was outside the scope of the contract with Double Bowler.

The Inspector General's Office (IGO) confirmed that the contract Austria had entered into with Double Bowler was a "flat rate" contract of \$9,000 per month. However, IGO investigators concluded Austria's contract should have been a "time and materials" contract based on an hourly rate, in order to minimize the risk of paying for services not performed, or overpaying for services requiring little or no time to perform. IGO investigators also discovered Austria, who was contracted to perform work for Double Bowler, was also performing work for WSU and other affiliated entities outside the scope of his contract.

As a result, the Inspector General's Office opened an investigation to assess the relationships of various organizations affiliated with Wright State University (WSU). Investigators determined that though the university had created separate 501(c)(3) non-profit organizations, WSU failed to maintain sufficient independence between the organizations and the university itself. IGO investigators concluded the 501(c)(3) organizations were component units within the university system, and not separate, independent organizations.

Based on these findings, the Inspector General’s Office expanded the scope of its investigation to evaluate the structure and activities of Double Bowler.

Through a review of records subpoenaed from Double Bowler, IGO investigators determined that Double Bowler maintained sufficient financial independence from the university and did not operate as a component unit of the university. Unlike the 501(c)(3) organizations reviewed in a previous WSU investigation, Double Bowler maintained its own bank accounts and financial structures and did not rely on the financial infrastructure of the university to process and pay invoices. Moreover, Double Bowler employed contractors as property managers and did not rely on university employees to perform the work. Double Bowler also employed its own financial management and auditing firm and did not rely on the university or Ohio Auditor of State to perform those services.

A review of records showed that Double Bowler purchased various properties around WSU’s main campus, the Dayton area, and the area of Wright State University Lake Campus located in Mercer County, Ohio. Some of the properties purchased by Double Bowler were cash purchases. In other instances, Double Bowler secured a mortgage on the property, and in effect leased the property back to WSU through a “Master Lease Agreement” (Lease Agreement). Addendum #1 to the Lease Agreement authorized Double Bowler to act as “agent” of the university for the purposes of subleasing properties to third-party tenants, in order to generate money from the property. The Addendum also contained a clause stating that the obligation of WSU to pay the mortgage costs “... shall not constitute an obligation or an indebtedness of the University within the meaning of the Constitution and law of the State.”



IGO investigators reviewed Controlling Board requests and determined that neither WSU nor Double Bowler ever sought Controlling Board approval for the purchases of any real estate property that Double Bowler purchased. In addition, a review of records by the chief legal counsel for the Ohio Department of Higher Education showed that neither WSU nor Double Bowler ever sought the approval of the chancellor of the Ohio Department of Higher Education for any “joint use” or lease agreements related to the properties purchased by Double Bowler. IGO investigators learned Double Bowler was a charitable organization fundamentally established by WSU for the purpose of acquiring property for use by WSU in pursuit of its educational mission.

In almost every instance, each property was purchased through the creation of a unique limited liability corporation (LLC), with Double Bowler as the sole member. The common naming convention used for the purchases was to title the LLC by the name of the property; for example, “Smith Street, LLC.” Sample stated that the creation of various limited liability corporations was completed intentionally to obscure that WSU was the entity purchasing

the property. Sample stated that the reason Double Bowler employed this strategy was because they wanted to reduce the likelihood of price gouging by sellers who might try to exploit the university's "deep pockets."

ORC §3333.071 and the Controlling Board Manual both require universities to obtain approval from the Controlling Board prior to purchasing real estate, regardless of the source of funds for the purchase. Further, ORC §3333.071 and the Controlling Board Manual require a university to seek approval, even when using a third-party agent, such as a 501(c)(3) organization created by the university. IGO investigators concluded that Wright State University, through its agent Double Bowler, improperly acquired various properties for Wright State University's use in a manner to avoid public scrutiny and transparency.

The Inspector General's Office referred this investigation to the Ohio Auditor of State to determine if Double Bowler was a component unit of Wright State University and should therefore be included in the university's audits. Additionally, the Inspector General's Office referred this investigation to the Ohio Department of Higher Education for consideration in providing guidance to state universities under its jurisdiction regarding the appropriate acquisition of properties as defined in the Ohio Revised Code and Ohio Administrative Code.

On November 1, 2019, the vice president for Legal Affairs/General Counsel for Wright State University informed the Inspector General's Office that in response to this investigation the university had implemented changes to their policies and procedures to ensure compliance with the rules and regulations of the Ohio Controlling Board and those specified in Ohio Revised and Administrative Code. Additionally, he stated the university was compiling and revising educational and training materials used by employees who deal with real estate transactions for the university.

OHIO OCCUPATIONAL THERAPY, PHYSICAL THERAPY, AND ATHLETIC TRAINERS BOARD FILE ID NUMBER: 2018-CA00003

On January 31, 2018, the Inspector General's Office received a complaint alleging Investigation Supervisor 1 Lisa Navarro, an employee of the Occupational Therapy, Physical Therapy, and Athletic Trainers (OTPTAT) Board, had performed secondary or outside employment on state time, using her state-issued computer. During the course of the investigation, investigators learned Navarro was employed by Continental Home Health Care (CHHC).



The Inspector General's Office made a forensic copy of the hard-drive from the OTPTAT Board computer assigned to Navarro. The hard-drive was analyzed, and files that related to Navarro's part-time employment with CHHC were cataloged and evaluated. The analysis revealed internet browsing history for the website www.kinnser.com. Investigators learned Kinnser Software Inc. (Kinnser) is a software development company and produces one

of the most widely used home health web-based software programs. Investigators also learned that CHHC was a client of Kinnser who used their web-based software.

On June 5, 2018, the Inspector General's Office issued a subpoena to Kinnser for records related to Navarro's user history dating back to 2015. Additionally, on August 22, 2018, investigators issued a subpoena to CHHC for payroll information and timesheets for Navarro. Investigators reviewed the records they had received from Kinnser and confirmed that Navarro had performed work for CHHC using her state-issued computer and during the same times she reported working for the OTPTAT Board. In total, investigators determined Navarro spent 152 hours and 18 minutes on 125 days performing work for CHHC or claiming hours worked for CHHC during the same times Navarro reported working for the OTPTAT Board, contrary to several OTPTAT Board employee policies and Ohio Ethics Advisory Opinion 96-004. The financial loss to the State of Ohio was determined to be \$8,119.54.

While the investigation was ongoing, Navarro requested a copy of the subpoena issued to CHHC by the Inspector General's Office, which was sent to her via text message from a CHHC employee on October 2, 2018. Investigators determined that after receiving a copy of the subpoena, Navarro methodically altered her previously submitted timesheets stored on the agency file server on October 15, 2018, to purposefully change times that she had previously reported working for the State of Ohio to times she did not claim as working for CHHC. This was an apparent attempt by Navarro to conceal the secondary employment work she had performed during the same times she was being paid to work for the State of Ohio.

... Navarro methodically altered her previously submitted timesheets stored on the agency file server on October 15, 2018, to purposefully change times that she had previously reported working for the State of Ohio to times that she did not claim as working for Continental Home Health Care.

On June 20, 2019, a Franklin County Grand Jury indicted Lisa Navarro for theft in office, tampering with records, and unauthorized use of property. On December 11, 2019 Navarro pleaded guilty to attempted unauthorized use of a computer and paid full restitution in the amount of \$8,119.53 to the OTPTAT Board.

OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES

FILE ID NO: 2018-CA00011

On April 13, 2017, the Inspector General's Office initiated an investigation into State of Ohio IT procurement processes; specifically, the hiring of IT consultants/contractors using state term schedule contracts. During the course of other investigations released by the Inspector General's Office (2017-CA00014A – released December 7, 2017; 2017-CA00014B – released December 18, 2017; and 2017-CA00014C – released November 15, 2018), investigators discovered records indicating substantial monetary transfers between TSG Partners, LTD (TSG), and Advocate Consulting Group(ACG) or Advocate Solutions (AS).

The Inspector General's Office reviewed and analyzed bank records for the period from January 1, 2015, to August 31, 2017. Investigators discovered records indicating multiple

transfers totaling \$15,762,527.51 from the State of Ohio and deposited into the bank account of TSG Partners, LTD (TSG) and subsequent transfer records from TSG totaling \$12,293,271.15 and deposited between the bank accounts of Advocate Consulting Group (ACG) or Advocate Solutions (AS). The analysis further found that 78% of the payments to TSG were later transferred by TSG into ACG's or AS's Key Bank accounts within a few days after receiving the payments from the State of Ohio.

The Inspector General's Office reviewed various records and conducted interviews with the Ohio Department of Administrative Services Equal Opportunity Division (ODAS-EOD) regarding TSG. From these interviews, investigators ascertained the following timeline of TSG's actions with the State of Ohio from 2008 thru 2018.

On June 4, 2008, TSG was originally registered as K&M Ventures with Mark Schriml as the authorized representative. On November 18, 2013, Mark Schriml's son Kyle, on behalf of K&M Ventures, changed the name of the company to Advocate Technical Services. Advocate Technical Services received its MBE certification from the Ohio Department of Administrative Services Equal Opportunity Division (ODAS-EOD) on May 30, 2014, for a period of two years, expiring on May 30, 2016. On April 24, 2016, TSG received its recertification letter from ODAS-EOD. The letter stated that the certification period was extended from April 24, 2016, to April 24, 2018.

On October 31, 2016, ODAS-EOD sent a letter to TSG to notify the company that EOD was conducting a review to ensure TSG's certification in the MBE program remained in compliance with program rules. As a result of this compliance review, ODAS-EOD sent a Notice of Intent to Revoke MBE Certification to TSG on January 24, 2017, stating TSG was not owned or controlled by a member of an economically disadvantaged group, and that TSG was acting as an agent or intermediary in making contracts under Ohio Revised Code §123.151. In response to the Notice of Intent to Revoke MBE Certification, TSG requested a hearing on the matter, which was later rescinded on October 4, 2017, when TSG relinquished its MBE certification.



As part of the ODAS-EOD's compliance review of TSG, Kyle Schriml, who owned 51% of TSG at the time, was interviewed on December 8, 2016. During this interview, Kyle was unable to provide any details on his business or the contracts TSG had with the State of Ohio. Kyle repeatedly responded, "I'm learning" to many of the questions that were asked regarding TSG. On one occasion, Kyle became frustrated with the questioning and stated, "I get a lot of help ... it's not illegal to get help." Kyle stated that he was uncertain as to whether TSG was paid by the State of Ohio or by vendors Advocate Consulting Group (ACG) and Advocate Solutions (AS). It was clear to investigators during this interview that while Kyle Schriml was majority owner of TSG on paperwork that was filed, Mark Schriml was clearly operating the business.

Investigators learned that on March 21, 2018, TSG once again applied for MBE certification after a modification of TSG's ownership structure was changed to Kyle Schriml (60%), Mark Schriml (30%), and Liz Kheng (10%). At the time, Kheng was the owner of Tenable Consulting, which also had an MBE certification. During an ODAS-EOD interview with Kyle Schriml, Kyle stated he did not know who Liz Kheng was and was unfamiliar with Tenable Consulting.

Subsequently, on August 10, 2018, ODAS-EOD sent TSG a Notice of Intent to Deny MBE Certification because it was determined TSG was not owned or controlled by a member of an economically disadvantaged group and TSG was acting as an agent or intermediary in making contracts under Ohio Revised Code §123.151. TSG requested a hearing with ODAS-EOD and a date for the hearing was scheduled for January 24, 2019. However, TSG, through their attorney, withdrew the request prior to the hearing date.

On April 29, 2019, TSG Partners attempted to reenter the MBE program by obtaining certification from the Ohio Minority Supplier Diversity Council (OMSDC) and then applying for MBE certification using an Expedited Certification Agreement between EOD and OSDC. On May 3, 2019, EOD sent a letter to TSG Partners denying the request for expedited certification.

The Inspector General's Office concluded that TSG was established specifically to act as a pass-thru vendor for ACG and AS. Investigators determined the multiple transfers from TSG's bank account to ACG's or AS's bank account, totaling more than \$12 million, suggests that TSG had a limited, if any, commercially useful function. ACG and AS used TSG as a pass-thru vendor to gain MBE set-aside opportunities. In addition, during Kyle Schriml's interview with ODAS-EOD, Schriml admitted TSG had no employees and that the contractors TSG used were actually from ACG or AS. Finally, a review of loan amendment documents conducted by investigators directly stated TSG was created to act as a pass-thru vendor at the state's request.

Although ODAS-EOD conducted a more thorough review of TSG's compliance with the MBE certification requirements in October 2016, the Inspector General's Office also concluded that this review should have been conducted prior to issuing TSG the initial MBE certification on May 30, 2014. ODAS-EOD's failure to adequately evaluate TSG's original MBE certification application in 2014 allowed TSG to receive numerous MBE set-aside contracts with the State of Ohio until TSG relinquished its certification in October 2017. During this period, investigators determined TSG's contracts with the State of Ohio totaled more than \$15 million. Even after relinquishing its MBE certification, investigators discovered TSG continued to conduct business with the State of Ohio.

The Inspector General's Office concluded that TSG Partners, LLC was established specifically to act as a pass-thru vendor for Advocate Consulting Group and Advocate Solutions.

The Inspector General's Office recommended that the Ohio Department of Administrative Services review the conduct of TSG Partners, LTD and Kyle Schriml; Advocate Consulting

Group and Mark Schriml; and Advocate Solutions to determine if debarment was warranted pursuant to Ohio Revised Code §125.25. On November 15, 2019, ODAS informed the Inspector General's Office that the department had initiated debarment proceedings of TSG, LTD and Kyle Schriml. Additionally, ODAS noted the agency had enhanced its requirements and review processes for MBE certifications.

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This report of investigation was provided to the Franklin County Prosecuting Attorney for review and consideration.

OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES

FILE ID NO: 2018-CA00012

During the course of another investigation, the Office of the Ohio Inspector General issued subpoenas for Advocate Consulting Group's (ACG), Advocate Solutions' (AS) and TSG Partners, LTD's bank account records. From a review of Advocate Solution's bank records, investigators discovered a check that was deposited into Advocate Solution's account from Tracy and Rex Ploucks' joint personal bank account. The check, dated March 24, 2017, was written for \$20,000 and was made payable to "Advocate Solutions LLC," and in the memo field was the notation "Advocate Investment." The check was signed by Rex Plouck. When the investment was made, Rex was serving as the CEO of Advocate Solutions, and was a contracted executive consultant with the Ohio Department of Administrative Services and Office of Health Transformation. Tracy Plouck, while employed as the director of the Ohio Department of Mental Health and Addiction Services, also served as an executive stakeholder supporting Ohio's Health Transformation initiative.

In February 2018, the Inspector General's Office initiated an investigation to evaluate the appropriateness of the Ploucks' investment with AS because they were both involved with Ohio's Health Transformation initiative and AS was benefitting via State of Ohio contracts supporting the initiative, and whether Tracy Plouck reported the investment on her required Financial Disclosure Statement (FDS) with the Ohio Ethics Commission (OEC).

Investigators requested copies of Tracy Plouck's Financial Disclosure Statements filed with the Ohio Ethics Commission for the years 2014 through 2017. From this review of Tracy's FDS, investigators discovered that Tracy did not report the \$20,000 investment in Advocate Solutions, LLC on her 2017 FDS form. Investigators discussed this investment with the Ohio Ethics Commission, who advised that even though the check was drawn on a joint account, it was not signed by Tracy and therefore, she would not be required to list the investment on her FDS form unless it could be determined she had an interest in AS.

As part of this investigation, investigators reviewed Tracy and Rex Ploucks' state email accounts to determine if they had any discussions regarding their investment in AS.

Investigators were unable to locate any emails regarding the investments. However, during the review of Rex's state email account, investigators discovered several areas of concern regarding the hiring of IT consultants, the use of state email for AS business, and other procurement-related issues. Investigators also found several instances where Rex, as a contractor for the State of Ohio, was steering business to his private employer, Advocate Solutions, LLC. In these instances, records revealed Rex would receive an email at his state email address from former ODAS Deputy Director Deven Mehta with an IT contractor's position description attached to the email. Rex would then forward the email with the position description to his AS business partners. Rex or one of his AS business partners would later send the prospective IT contractor's resume from their AS email account to Mehta. Mehta's assistant would subsequently submit a Request to Purchase and the Release and Permit (R&P) request for the contractor. These Release and Permit requests were expedited and approved within days of their submission. Investigators found these contractors were either continually renewed year-after-year or backfilled with other AS employees.



Investigators also found several emails sent to Rex from ODAS acquisition analysts where the analysts were asking for Rex's permission to continue processing R&P requests, some of which involved the hiring of AS employees as contractors for the state. During an interview conducted on August 19, 2019, Rex could not recall why ODAS acquisition analysts would have asked for his permission to move forward with a R&P request for AS.

Moreover, investigators discovered Rex used his state email account for AS-related business. On numerous occasions Rex was forwarding emails from his state email account to his business partners at AS regarding state procurement opportunities. Investigators found numerous emails, both sent and received by Rex, in which he was conducting and/or discussing AS-related business that was unrelated to the State of Ohio; for example, AS business in the states of Michigan, Indiana, Florida and Massachusetts. Investigators also found that Rex, on occasion, would reply to an email he received regarding non-state business by asking the sender not to use his state email account. However, he did not do this consistently.



The Inspector General's Office determined that Rex Plouck's improper use of state email for steering procurement opportunities to his AS business partners and engaging in AS business on state time constituted wrongdoing. The Inspector General's Office concluded Rex Plouck's actions were not in the best interest of the State of Ohio, compromised open and fair competition, and ultimately benefited Rex and his AS business partners. Had these same actions been committed by a State of Ohio employee, the state employee would have been subject to potential ethics violations.

OHIO DEPARTMENT OF MEDICAID**FILE ID NO: 2018-CA00015**

The Inspector General's Office received notification from the Ohio Department of Medicaid (ODM) that ODM Project Manager 1 Thomas Dexter improperly solicited ODM vendor Sandata for an employment opportunity for himself and his spouse. ODM provided to investigators a series of emails sent between Sandata representatives and Dexter, discussing employment opportunities for Dexter and his wife. The Ohio Ethics Commission (OEC) also provided emails to investigators whereby Dexter requested information as to whether his wife would be allowed to work for Sandata.

The Inspector General's Office interviewed Dexter and he admitted to investigators that while employed with ODM, he inquired about employment opportunities with Sandata for himself and his wife. Dexter confirmed that he had attended ethics training while employed with ODM but noted that he believed the rules were unclear as to whether he would be allowed to seek employment with Sandata. Dexter did not recall asking the OEC if it was permissible for his wife to work for Sandata but admitted telling Sandata that he had researched the issues regarding his employment and believed he was permitted to work for Sandata. Dexter acted contrary to the advice provided to him by the Ohio Ethics Commission.



Investigators also discovered Dexter had submitted his wife's resume to Sandata and suggested they speak to her about an employment opportunity. Dexter reportedly told Sandata that his wife would "be an asset" to the company. Investigators learned Sandata officials told ODM they felt obligated to conduct a "courtesy interview" with Deborah Dexter. Sandata had expressed concern to ODM that Dexter would retaliate against them "... for not giving Dexter employment based on the prominent role he holds over the contract."

Investigators concluded that Thomas Dexter improperly solicited ODM vendor Sandata, violating Ohio Revised Code §102.03 (D) and (E) which prohibits a public official from soliciting anything of value from entities doing business with the state. Additionally, investigators concluded that Dexter violated ODM policy IPP 0003 which states that "No employee shall accept or solicit bribes, gifts, money, favors from vendors or agencies/entities with which ODM has a regulatory or fiduciary relationship ..." and "Employees will not authorize or use the authority or influence of his or her position to secure the authorization of employment or benefit ... for a person closely related by blood, marriage or other significant relationship including business association."

Dexter was terminated from his employment with the Ohio Department of Medicaid.

OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES**FILE ID NO: 2018-CA00016**

On February 17, 2018, the Inspector General's Office received a complaint concerning the Ohio Department of Administrative Services, Equal Opportunity Division's (ODAS EOD) Encouraging Diversity, Growth and Equity (EDGE) program and how it was being administered. The complainant questioned how CTL Engineering, Inc., a local engineering firm whose "total local billings were \$14.5 million and company-wide was \$35.5 million in 2016," qualified as a disadvantaged business and continued to be recertified into the EDGE program.

In March, 2018, the Inspector General's Office requested and received from ODAS a list of all EDGE-certified businesses and the EDGE file for CTL Engineering, Inc. (CTL). The list of all EDGE-certified businesses prepared by ODAS EOD consisted of 4,721 businesses who participated in the EDGE program from its inception and included dates of their original certification, last recertification, and expiration.

From a review and analysis of these records, the Inspector General's Office determined that during a period of several years, the ODAS EOD repeatedly recertified CTL Engineering, Inc., among other businesses, into the EDGE program disregarding the EDGE program's 10-year eligibility restriction on all applicable businesses. In these instances, the ODAS EOD failed to comply with Ohio Administrative Code §123:2-16-03, which states in part that "the maximum amount of time a business or business owner may participate in the EDGE public contracts assistance program as a certified business is ten years."

The Inspector General's Office also determined that during that same period of several years, the ODAS EOD repeatedly recertified CTL Engineering, Inc. into the EDGE program without determining if CTL's net worth exceeded the average net worth of comparable businesses and whether CTL's size exceeded the small business size standards as defined by the United States Small Business Administration and adopted by the State of Ohio. In these instances, the ODAS EOD failed to comply with Ohio Administrative Code §123:2-16-01, which currently states, in part, that an,

Economically Disadvantaged Business means a business (including its affiliates) at least fifty-one percent owned and controlled by an economically disadvantaged person or persons and the size of the business does not exceed the definition of a "small business" as defined by the United States small business administration ...



... the maximum amount of time a business or business owner may participate in the EDGE public contracts assistance program as a certified business is ten years.

Lastly, the Inspector General’s Office determined that the ODAS EOD did not maintain all CTL Engineering, Inc. certification documents for the EDGE program. In these instances, the ODAS EOD failed to comply with ODAS Records Retention Schedule – Series No.: 11001515, Agency Series No.: EDGE-1, adopted in accordance with Ohio Revised Code §121.211, which states that “records in the custody of each agency shall be retained for time periods in accordance with law establishing specific retention periods, and in accordance with retention periods or disposition instructions established by the state records administration.” CTL Engineering, Inc. is no longer certified as an EDGE business.

The Inspector General’s Office recommended that the Ohio Department of Administrative Services review and revise written policies and procedures to ensure that the Equal Opportunity Division adequately documents, tracks, and applies the 10-year eligibility restriction as required by Ohio Administrative Code §123:2-16-03 and completes an internal review of the EDGE program to determine EDGE-certified business eligibility for the program based on the small business size standards as required by Ohio Administrative Code §123:2-16-01. The Inspector General’s Office forwarded a copy of this report to the Ohio Auditor of State for their consideration.

On April 12, 2019, the director of ODAS informed the Inspector General’s Office that as a result of this investigation, ODAS had conducted a thorough review of the statutes and rules governing the EDGE program. From this review, the director noted that ODAS implemented several changes to how the EDGE program is administered to legitimately meet the program’s objective to assist economically disadvantaged individuals.

OHIO DEPARTMENT OF MEDICAID

FILE ID NO: 2018-CA00029

On May 25, 2018, the Ohio Department of Medicaid (ODM) reported suspected illegal activity to the Inspector General’s Office involving one of their employees, based on information observed after a review of the LinkedIn profile of ODM Health Services Policy Specialist Aristotle Mante. This profile identified multiple current outside employers Mante worked for and had not reported to ODM as required by ODM policy.

On April 8, 2018, the Inspector General’s Office generated an image of Mante’s ODM-issued computer. Investigators conducted a forensic analysis of the image and discovered



several documents that appeared to be related to higher education and his work at Strayer and Indiana Wesleyan Universities. Investigators established the user profile for Mante was logged into Strayer University’s and Indiana Wesleyan University’s IT systems from Mante’s ODM-issued computer during times he was to be working for ODM. Investigators determined Mante’s use of a state-issued computer, internet, and email system to conduct his outside employment with Strayer and Indiana Wesleyan universities began on September 2, 2016. Mante began his employment with the Ohio Department of Medicaid on August 29, 2016.

Also, from this forensic analysis, investigators discovered Mante emailed faculty and students, responded to student questions in online discussion groups, reviewed student assignments via online classroom portals, posted student grades, and uploaded assignments. Moreover, investigators found three Strayer University pay stubs for pay periods ending June 30, 2017, July 15, 2017, and August 15, 2017, and emails sent to and from Indiana Wesleyan University regarding payment to Mante, and his 2017 Federal and Ohio tax returns.



During interviews with the Inspector General's Office, Mante claimed that the ODM Computer and Information Systems policy allowed employees to use their state-issued computer and internet for personal use. However, investigators confirmed ODM Computer and Information Systems policy prohibits employees from using state-owned systems for outside business activities for personal gain. Investigators also learned that Mante had not completed the outside employment notification form per ODM policy and subsequently, Mante had not properly sought nor received proper authorization from ODM to work outside employment with Strayer and Indiana Wesleyan universities.

The Inspector General's Office concluded that Mante's use for personal profit of a state-issued computer and internet, and during times he was to be working for the ODM violated department policies. Furthermore, Mante's storage of non-work related personal documents on his state-issued computer or network violated ODM Computer and Information Systems policy ODM IPP 10002.

On March 5, 2019, Mante resigned from his position with ODM.

**OHIO DEPARTMENT OF NATURAL RESOURCES, DIVISION OF FORESTRY
FILE ID NO: 2018-CA00042**

On October 10, 2018, the Inspector General's Office received an anonymous complaint against the Ohio Department of Natural Resources Division of Forestry (ODNR-DF) alleging that in the winter of 2017, a state logging crew harvested a "birds eye maple" tree at one of the state forests. ODNR-DF Assistant Director Robert Boyles allegedly permitted personnel to transport the harvested tree to Shawnee State Forest whereby a forest manager sawed the tree into blocks of wood to the size needed to make gunstocks. Using state resources for non-state related purposes violates ODNR's policies. Once sawed, the wood was reportedly picked-up by ODNR-DF Forest Manager Matthew Morgan. Investigators later

discovered that, although “birds eye maple” was originally specified in the complaint, the investigation determined the complaint actually involved curly soft maple.

On November 7, 2018, investigators traveled to Shawnee State Forest and interviewed Shawnee State Forest Manager Charles “Dale” Egbert and ODNR-DF Bridge Worker 2 Jonathan Bailey. Investigators asked Egbert about the use of a portable sawmill, and in response, Egbert and Bailey showed investigators a portable Wood-Mizer sawmill located on the premises and two stacks of wood Egbert had sawed with the Wood-Mizer. Egbert told investigators that one of the stacks was sawed from a curly soft maple tree and confirmed to investigators that the stack of curly soft maple they were shown was the total amount of wood sawed from the tree.



On November 15, 2018, investigators returned to Shawnee State Forest to interview Egbert. Egbert informed investigators that during their November 7, 2018, meeting, he failed to mention a second stack of curly soft maple that had been sawed and was located in a separate pole barn. During questioning, Egbert admitted that on November 7, 2018, after investigators left the park, that he had called Forest Manager Matt Morgan and advised Morgan to return any of the curly soft maple he had taken home with him. Egbert admitted he had lied to investigators in an attempt to keep Morgan from getting in trouble. Investigators asked Egbert if Assistant Director Robert Boyles was aware of the curly soft maple lumber, to which Egbert replied, “I don’t see how he (Boyles) couldn’t have known.”

Investigators contacted a local lumber company to evaluate the curly soft maple lumber’s value. The company estimated the sawed boards located in the second pole barn to be approximately 690 board feet with an estimated value of \$2,373 based on market prices as reported on July 25, 2019.

On November 29, 2018, investigators interviewed ODNR-DF Bridge Worker 2 Jonathan Bailey. Bailey told investigators he assisted Egbert with using the Wood-Mizer to cut the curly soft maple and during the cutting, Egbert told him that the curly maple would be used for making gunstocks. Bailey admitted to investigators that on November 7, 2018, he failed to notify investigators that Morgan was in possession of a stack of curly soft maple because, “You weren’t asking me.” Bailey admitted to investigators that he was aware Egbert was lying to investigators during their initial meeting when Egbert claimed the stack of curly soft maple in the barn was the total amount of wood cut from the tree.

On November 29, 2018, investigators interviewed ODNR-DF Equipment Operator 2 William “Patrick” Williams. Williams stated he had overheard the curly soft maple lumber was to be used for gunstocks. During a previous conversation, Williams said Morgan told him that he had some of the curly soft maple lumber. Investigators asked Williams if he knew of any

ODNR directors who were aware of the cutting of the curly soft maple. Williams noted he had a conversation with Boyles about the wood and stated that Boyles had asked, “How did it (curly soft maple) turn out after it was sawed?”

On November 29, 2018, investigators interviewed Forest Manager 1 Matthew Morgan. Morgan stated he cut the curly soft maple tree during a clearing job at Hocking Hills. Morgan explained the base of the maple tree was swollen and was cut down to clear for the growth of oak trees. Once the tree was cut, Morgan said he discovered it was a curly soft maple, and portions of the tree were hauled from the area. Morgan said he called Boyles and noted the curly soft maple would make a nice gunstock. Morgan claimed Boyles told him to take the tree to Shawnee State Forest and have Egbert cut it for him. Morgan stated he took this statement as tacit approval that he was allowed to retain the wood. Morgan was adamant in stating that if he thought he was not allowed to keep the wood, he would have never taken it. Once the wood was cut, Morgan took 23 boards.



Curly soft maple boards cut at Shawnee State Forest for personal use by employee.

On January 10, 2019, ODNR-DF Assistant Director Robert Boyles was interviewed. Boyles denied telling Morgan to transport the curly soft maple to Shawnee State Forest and have Egbert cut it for him. Boyles denied any knowledge of the curly soft maple until Morgan called him stating he was worried he (Morgan) would be fired. Boyles’ statement is contradicted by an email, reviewed by investigators, that was sent between Egbert and Boyles dated November 30, 2017. When investigators asked Boyles if he could recall any other conversations he had with ODNR workers about the curly soft maple, Boyles shook his head to indicate no. Boyles’ recollection is disputed by two ODNR-DF employees, William “Patrick” Williams and David Parrot, who told investigators they were both present when they had a conversation with Boyles about the curly soft maple wood.

The Inspector General’s Office concluded Egbert and Bailey violated ODNR’s policy that requires a state employee who becomes aware of wrongdoing on the part of another state employee, to immediately notify the department’s law enforcement administrator or the chief legal counsel of the department within 24 hours. Furthermore, Egbert lied to investigators during the course of its investigation. Morgan violated ODNR’s Ethics Policy which states, in part, that employees are prohibited from using state time, facilities, or resources to promote or conduct their private business, and that no employee shall use or authorize the use of the authority or influence of their office to secure anything of value for themselves. Finally, Boyles violated ODNR policy when he permitted Boggs to transport the curly soft maple when he was aware the wood was never intended to be used by ODNR.

On February 1, 2019, Assistant Director Robert Boyles retired from the Ohio Department of Natural Resources, Division of Forestry. ODNR has since implemented additional ethics training to supervisors, managers, and employees, as well as a number of policy changes regarding the specific issues addressed in the report.

OHIO STATE COSMETOLOGY AND BARBER BOARD

FILE ID NO: 2018-CA00044

On October 23, 2018, the Inspector General's Office received a complaint reporting concerns about the Ohio State Cosmetology and Barber Board (COS). Specifically, the complainant alleged COS board meetings were being cancelled due to vacant board member positions not being filled; COS was not providing adequate barber shop inspections resulting in barber shops not being inspected in over two years; and COS board members were using their positions on the board to further their business interests. A fourth concern was reported to investigators during the course of the investigation that related to board members providing testimony to support pending legislation, specifically Ohio House Bill 189 of the 132nd General Assembly, when the COS board had taken no official position on the legislation.



Board Meetings and Board Positions

The Inspector General's Office determined COS held eight meetings in 2018 and five meetings in 2019, exceeding the number of meetings required by ORC §4713.03. Investigators determined that as of October 22, 2019, there were two vacant positions on the board and that the vacant positions had no effect on the board's ability to conduct the required number of board meetings. The Inspector General's Office found no reasonable cause to believe a wrongful act or omission had occurred in this incident.

Inspections

Investigators reviewed inspection reports for facilities located in Summit County who hold a license as a barber or barber school under ORC Chapter 4709 and facilities who hold a license as a salon, boutique salon, or tanning facility under ORC Chapter 4713. Investigators discovered COS inspectors were not retaining the actual opening date of facilities in some instances. However, investigators concluded that COS substantially complied with the statutory inspection requirements that were in effect at the time. The Inspector General's Office found no reasonable cause to believe a wrongful act or omission had occurred in this incident.

Conflict of Interest

The Inspector General's Office learned that during 2017, five board members provided written testimony in support of pending legislation. Three of these five board members made specific mention in their written testimony that they were COS board members before providing their reasoning for supporting the legislation. Investigators determined these actions conflicted with Ohio State

Cosmetology and Barber Board Policy regarding conduct of the board which states in part, board members should be mindful of board consensus when speaking as a board member and remember that they are all perceived as representatives of the board when attending public functions and professional meetings. Board members should make it known when their personal opinions are expressed. Investigators also determined the board members' actions conflicted with COS' policy which states in part, members and employees

Investigators determined these actions conflicted with Ohio State Cosmetology and Barber Board Policy ... board members should be mindful of board consensus when speaking as a board member and remember that they are all perceived as representatives of the board when attending public functions and professional meetings. Board members should make it known when their personal opinions are expressed.

must conduct themselves, at all times, in a manner that avoids favoritism, bias, and the appearance of impropriety. The Inspector General's Office found reasonable cause to believe an appearance of impropriety occurred in this instance.

**OHIO DEPARTMENT OF PUBLIC SAFETY, DIVISION OF EMERGENCY MEDICAL SERVICES
FILE ID NO: 2019-CA00024**

The Office of the Inspector General received an anonymous complaint alleging a conflict of interest by officials of the Ohio Department of Public Safety (ODPS), Division of Emergency Medical Services (EMS). The allegation stated that Executive Director Melvin House allowed EMS Program Administrator 2 Christina Miller to be flown to Elyria and then back to Columbus in a private aircraft owned and piloted by EMS board member Herb de la Porte. The purpose of the trip was for Miller to conduct a site visit of LifeCare EMS Academy which is owned by Herb de la Porte. Herb de la Porte founded LifeCare Academy in 2002, and federal tax records list him as secretary, treasurer, and trustee of LifeCare Foundation.

On August 12, 2019, investigators interviewed Christina Miller. Miller's job duties included conducting site visits for initiating and renewing accreditations of the EMS schools in Ohio and reporting back to the EMS board with recommendations for the accreditations. She has been in this position since May 2017. Miller acknowledged that she went to LifeCare Academy on April 1, 2019, and that Herb de la Porte flew her in his plane to Lorain County and back to Columbus. Miller explained that the reason for the April 1 trip was to visit LifeCare Academy and to provide training to the new program director at the academy.

Miller also told investigators that the proposal of the flight had developed during a conversation at an EMS employee retirement party where House, Miller, and de la Porte were present. During the conversation, Miller told de la Porte she was scheduled to visit

his training academy to conduct a training session with a new program director. De la Porte offered to fly Miller to the academy in Elyria for the site visit, and then fly her back to Columbus in his private airplane.

Both Miller and de la Porte agreed that Miller should seek approval for taking the flight to Elyria instead of Miller driving directly to the site. Miller told investigators that she had asked House for approval to take the flight with de la Porte because the director was her direct supervisor at that time. Miller noted to investigators House approved her taking the flight.



Left: Private plane owned by Herb de la Porte.



Christina Miller's Facebook post of flight.

On August 20, 2019, investigators interviewed Herb de la Porte who had served on the EMS board member for four years. De la Porte admitted that on April 1, 2019, he flew Miller to LifeCare Academy and back to Columbus. He explained that the purpose of the trip was so Miller could review training issues with the new program director at the academy. Investigators asked de la Porte how they decided that he would fly Miller to the academy and back. De la Porte said he had been at EMS for a retirement party, and during a conversation, Miller told him that she was going to the academy the following week. De la Porte reported saying, "how's about I pick you up," and she said, "well I don't know, can we do that?" De la Porte said Miller replied, "I have to ask if that is ok." De la Porte told investigators he was not present when Miller received approval from anyone to take the flight.

On August 12, 2019, investigators also interviewed EMS Executive Director Mel House. House reported that he was aware of Miller's planned trip to de la Porte's LifeCare Academy. However, House noted that he did not recall Miller having a conversation with him or seeking approval from him to be flown by de la Porte in a private plane to the site.

Investigators determined that Herb de la Porte, who both owned a business regulated by the EMS board and served on the EMS board, improperly provided transportation to an EMS employee to conduct an on-site visit of a business he owned. The Inspector General's Office referred the report of investigation to the Ohio Ethics Commission for consideration.

OHIO DEPARTMENT OF MEDICAID FILE ID NO: 2017-CA00037

On October 10, 2017, the Inspector General's Office received a complaint from the Ohio Department of Medicaid (ODM) alleging Financial Analyst Brandi Potts was conducting unreported secondary employment for a private business during days and times she was working for the Ohio Department of Medicaid and misused state-issued equipment and

email. ODM further alleged that documents of a personal nature, including state and federal income tax returns, and invoices and bills for the private business were saved on her state-issued computer.

Potts initially denied to investigators that she used her ODM email account for sending and receiving documents related to Highway Kraft Trucking LLC and Sober Path Enterprises LLC. However, after investigators showed Potts approximately 10 emails discovered from her ODM account, Potts stated that her use of the ODM email account rather than her personal email account “wasn’t intentional.” The emails shown to Potts established that she was receiving emails directly to her ODM account from companies such as A&M Global Transportation and Nolan Transportation Group (NGT).

The Inspector General’s Office reviewed ODM’s policies and Potts’ acknowledgements of understanding of ODM policies, as well as her attendance at trainings. A forensic analysis of Potts’ state-issued computer was conducted and investigators discovered various files related to Highway Kraft Trucking LLC and Sober Path Enterprises LLC. Potts admitted to investigators that she uploaded the files on her ODM computer while assisting her boyfriend with his trucking company. Although investigators discovered several documents listing Potts as “Billing Contact,” “Account Contact,” “Claims Contact,” and “Owner” of Highway Kraft Trucking LLC, Potts denied receiving any form of compensation for this work and stated she therefore never considered her activities as secondary employment. Potts admitted to investigators that in 2013, she maintained secondary employment cleaning offices without submitting a request for secondary employment form to ODM.

Potts admitted to investigators that she uploaded the files on her ODM computer while assisting her boyfriend with his trucking company.

Investigators also determined Potts inappropriately used her ODM email account to send and receive email and files related to Highway Kraft Trucking LLC and Sober Path Enterprises LLC from an IP address associated with the Ohio Department of Administrative Services. Finally, investigators located W-9 tax records associated with Highway Kraft Trucking LLC and other documents containing personal identifiers such as Social Security numbers on Potts’ ODM-issued computer.

Therefore, the Inspector General’s Office determined that Ohio Department of Medicaid Financial Analyst Brandi Potts violated the ODM Standards of Employee Conduct and Computer and Information Systems Usage policies.

The Inspector General’s Office was unable to determine if work performed by Potts for Highway Kraft Trucking LLC and Sober Path Enterprises LLC occurred during Potts’ Ohio Department of Medicaid working hours or during break times.

The Inspector General’s Office referred this report of investigation to the Columbus City Attorney and the Ohio Ethics Commission for consideration.

Ohio Department of Transportation

2019 Report

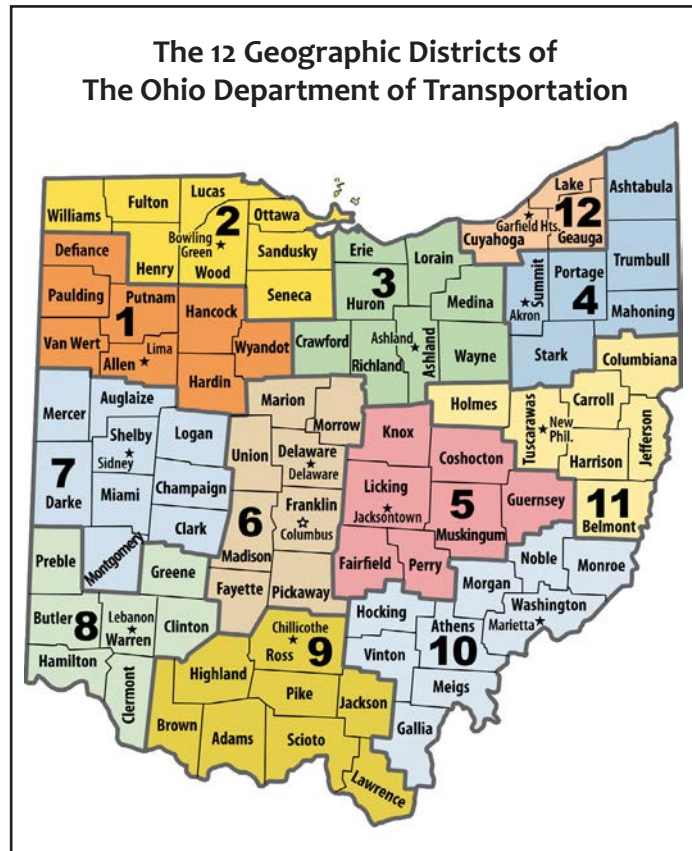
The responsibilities of the deputy inspector general for the Ohio Department of Transportation (ODOT) were created in 2007 with the enactment of Ohio Revised Code §121.51. This section directs a deputy inspector general to investigate “... all wrongful acts and omissions that have been committed or are 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 2019, 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 2019, there were three cases opened and seven cases closed in the Transportation Area of the Inspector General’s Office. As part of the lifespan of a case, the number of cases closed may reflect cases that were opened in previous years.



Source: www.dot.state.oh.us

Summaries of Selected Cases - Transportation

OHIO DEPARTMENT OF TRANSPORTATION

FILE ID NO: 2017-CA00006

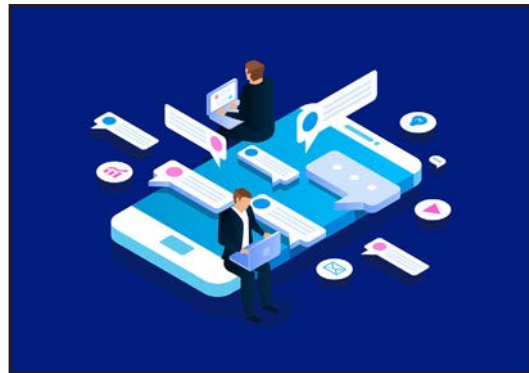
During the course of an investigation conducted by the Inspector General's Office, investigators discovered evidence that indicated Demitra Burkhart, an IT consultant hired by the Ohio Department of Transportation, was using state resources to conduct her private consulting business, AIN Systems. AIN Systems was an Encouraging Diversity, Growth and Equity (EDGE)-certified company that provided IT consulting services to the State of Ohio via a subcontract with Knowledge Services, the state's managed service provider for IT staff augmentation.

Investigators learned that Burkhart previously worked as an IT contractor at the Ohio Department of Mental Health (ODMH) and the Ohio Department of Administrative Services (ODAS). While at ODMH, Burkhart worked closely with Shawn Shelstad, former applications development manager at ODMH. Shelstad transferred from ODMH to ODOT on September 6, 2015. Burkhart was hired at Shelstad's request as a consultant at ODOT around October 1, 2015. While working as a consultant at ODOT under the IT staff augmentation, Burkhart was also selected by Shelstad to receive an additional contract as an ELLIS project manager. This was a separate consulting contract valued at \$195,000 using Data Systems Integration Group's (DSIG) state term schedule contract.

During an interview with investigators, Shelstad admitted that he did not obtain three quotes for the ELLIS contract work because he believed that since it was referencing a state term schedule contract (DSIG), the quotes were not required.

However, investigators determined that Shelstad's Release and Permit (R&P) request was not an extension of a current contract because Burkhart had never worked on the ELLIS project and DSIG had no previous contracts for the ELLIS project. Investigators concluded that Shelstad claiming in his R&P request that the ELLIS project work was an extension of a DSIG contract was a means to gain approval for the procurement through the R&P process.

Additionally, investigators discovered that the R&P request for a project manager for the ELLIS project specified that the vendor would be DSIG, a certified MBE, for 1,560 hours at \$125.00 per hour for a total of \$195,000. Investigators reviewed Burkhart's ODOT email account and found Burkhart had signed a "work order" with DSIG on August 5, 2016. The work order stated that her rate of pay would be \$112.50 per hour. Based on the \$125.00 hourly rate the state was paying DSIG, and the \$112.50 hourly rate DSIG was paying Burkhart, DSIG would profit \$19,500 for performing no work related to the contract. Investigators



concluded that DSIG's role with this contract was only to serve as a certified MBE pass-thru vendor.

During a review of Burkhart's state email account, investigators discovered that Burkhart had used her state email account to conduct her private consulting business, misusing state resources. Investigators determined Burkhart forwarded numerous emails to her personal email account that contained contractors' resumes and ODOT work product; and had sent and received numerous emails from her state email account with IT contractors who worked for AIN Systems.

Investigators also discovered that Shelstad permitted Burkhart to participate in the review and hiring of IT staff augmentation contractors. During an interview conducted on July 10, 2018, Shelstad admitted to investigators that it could appear as a conflict of interest having a contractor who owns her own IT staffing company participate in the review and hiring of IT staff contractors. Shelstad noted that Burkhart did not participate in the interviews or the final hiring of contractors but admitted she may have reviewed resumes and selected candidates for interviews. Shelstad stated that Burkhart should not have been forwarding resumes of other consultants from other job postings to her personal email account.

The Ohio Department of Administrative Services moved to debar Demitra Burkhart and AIN Systems from doing business with the State of Ohio. ODAS also issued a notice of intent to revoke AIN Systems' EDGE certification. AIN Systems initially requested a hearing on the revocation, but later withdrew that request after receiving the adjudication orders. In December 2018, Burkhart and AIN Systems were debarred by ODAS from performing work with the State of Ohio.

In December 2018, Burkhart and AIN Systems were debarred by ODAS from performing work with the State of Ohio.

OHIO DEPARTMENT OF TRANSPORTATION

FILE ID NO: 2018-CA00022

On March 30, 2018, an anonymous complaint was received by the Inspector General's Office alleging that Excenture Business Solutions (Excenture) did not meet the current Minority Business Enterprise (MBE) requirements to provide services to the Ohio Department of Transportation (ODOT); was engaging in unfair business practices; had received preferential treatment by ODOT because of the owner's participation in the ODOT Civil Rights Symposium; and was informing vendors that another vendor, J.T. Dillard (Dillard) was not paying their bills and that ODOT was assisting in the collection of the payments. Lastly, the complaint alleged that ODOT Division of Construction Management Contract Sale Administrator Thomas Pannett had instructed vendors to contact Excenture and use that company to submit bids to ODOT.

Investigators reviewed the Ohio Department of Administrative Services (ODAS) website for MBE certification requirements and determined Excenture met the requirements to conduct business with ODOT as an MBE vendor.

Investigators next evaluated the allegation that Excenture received preferential treatment from ODOT due to company owner John Wooldridge’s involvement in a Civil Rights Symposium administered by the ODOT Division of Opportunity, Diversity, and Inclusion (DODI). Investigators learned Wooldridge was asked by DODI to serve as the keynote speaker at the second annual Civil Rights Transportation Symposium that occurred on April 10-11, 2018. ODOT DODI Director Lauren Purdy told investigators that the theme of the symposium involved sports and the reason Wooldridge was chosen to speak was because he played football for The Ohio State University and was drafted by the Dallas Cowboys. Purdy noted Wooldridge was not asked to participate as a speaker for the 2017 or 2019 Civil Rights Transportation Symposiums. Investigators reviewed a listing of all sponsors and the amounts of money donated by each sponsor to the symposium. Investigators confirmed no donations were made by Excenture or by Wooldridge.

Investigators also examined the allegation that Excenture was informing vendors that J.T. Dillard (an MBE competitor of Excenture) “doesn’t pay their bills and ODOT is assisting in



collecting the payments.” Investigators asked ODOT Division of Construction Management Contract Sale Administrator Thomas Pannett as to how Excenture may have learned that Dillard allegedly did not pay their bills or that ODOT was involved in collecting payments. Pannett stated he could not remember whether he had discussed the matter during any conversations he had with Wooldridge. During an interview conducted by investigators, Wooldridge denied informing anyone that J.T. Dillard did not pay their bills or that ODOT was helping to collect payments. Wooldridge told investigators he had heard from three manufacturers and from ODOT Deputy Director Terry Bolden that J.T. Dillard allegedly was not paying their bills. During a subsequent interview, Bolden told investigators that he did not recall making the statement to Wooldridge but added, “Maybe to my detriment, I did acknowledge it, unfortunately.” Investigators concluded that this information could be used by Wooldridge to solicit companies J.T. Dillard represented, and in fact, investigators discovered Excenture was involved with several companies J.T. Dillard once represented.

Investigators further evaluated the allegation that Pannett reportedly had instructed vendors who sought to perform work for ODOT to contact Excenture and bid through them. During an interview conducted on January 22, 2019, Pannett admitted to investigators that he knew Wooldridge personally. Pannett also told investigators that he had attended a hunting trip with Wooldridge. Pannett said that after he had received several complaints from a supplier stating they were dissatisfied with their current MBE representative, J.T. Dillard, he had suggested to the supplier that they contact Excenture for MBE representation. Investigators reviewed Pannett’s ODOT email account and discovered an email sent by Pannett on June 7, 2017, providing Wooldridge’s contact information to an individual at New Enterprise Stone & Lime (NESL). That same day, Pannett emailed

Wooldridge stating “I’m passing **another** [emphasis added] business opportunity your way. Expect a call from Jay Smith.” Investigators contacted NESL and NESL confirmed that they had contacted ODOT about obtaining a name of an MBE company for them to use.

Investigators did not find any ODOT policies specifically prohibiting ODOT employees from making vendor referrals or prohibiting socializing with vendors outside of work. However, investigators concluded that when considering Pannett’s position as contract sale administrator for ODOT and because Pannett had told investigators, “... it is part of (the) job to look at the contracts and see what can be made available to MBEs,” Pannett’s actions gave the appearance of impropriety and had the possibility of undermining the public’s confidence in the objectivity of the MBE program.

Additionally, after conducting various interviews and a review of policies and practices related to vendor interaction, the bid process, internal controls, contract language, vendor referrals, and multi-award contracts, the Inspector General’s Office identified several issues of concern. Investigators discovered ODOT Division of Construction Management employees were not, for several years, following protocol established by the division regarding the modification of submitted bids prior to public bid opening. Investigators noted internal control weaknesses through an inconsistency in the contents of MBE “invitation to bid” files, how the files were stored, the documents used to process incoming bids, and the bid process. Furthermore, investigators discovered the written instructions for bidding were contradictory and ambiguous. Lastly, investigators determined that ODOT employees failed to use in-house forms to identify discrepancies in bids received from vendors.

The Inspector General’s Office issued eight recommendations to improve the operations of ODOT’s Division of Opportunity, Diversity, & Inclusion, and the Division of Construction Management, including recommendations to promote equitable treatment among vendors, to improve the bid award process, and to ensure ODOT monies are being used in a cost-efficient manner in multiple award contracts.

OHIO DEPARTMENT OF TRANSPORTATION FILE ID NO: 2018-CA00023

On April 13, 2018, the Inspector General’s Office received a referral from the Ohio Department of Transportation (ODOT) regarding one of its subcontractors, Lloyd Rebar Co., alleging that the company was using a substandard epoxy (latex) coating on steel reinforcements for bridge construction. The complaint alleged the use of this epoxy could result in the failure of steel bridge supports. The complaint further alleged that employees at Lloyd Rebar Co. (Lloyd Rebar) were instructed to hide paint cans and sprayers prior to the arrival of ODOT inspectors.



Epoxy paint found by investigators at Lloyd Rebar Co.

The Inspector General's Office and inspectors from ODOT Office of Materials Management conducted an unannounced inspection of Lloyd Rebar to evaluate the validity of a complaint alleging the company was using latex paint to touch-up and coat Greenbar used in ODOT bridge construction projects. During the inspection at the Lloyd Rebar's fabrication facility, investigators did not discover any latex paint; however, investigators found a can of Sherwin Williams epoxy paint. The Sherwin Williams epoxy paint was not in compliance with ODOT and ASTM standards for use with Greenbar on ODOT projects. Lloyd Rebar claimed to investigators that they were not able to obtain the proper epoxy patching material from their manufacturer, ABC Coating, due to federal regulations involving hazardous material shipping. Furthermore, Lloyd Rebar claimed they were not a distributor for Valspar or 3M and therefore, were not able to obtain the proper patching material. However, investigators were able to locate for sale, from two suppliers, the 3M epoxy paint Lloyd Rebar stated they could not obtain. One supplier was located approximately 11 miles from the Lloyd Rebar facility.



Lid showing epoxy paint not in compliance for use with Greenbar on ODOT projects.

The Inspector General's Office was unable to determine if Lloyd Rebar employees had concealed paint and sprayers from ODOT employees during their on-site inspections. However, because ODOT employees schedule inspections with vendors, it is possible vendors could improperly prepare for the inspections before ODOT inspectors arrive. In a previous investigation (ROI #2015-CA00003), the Inspector General's Office recommended the need for ODOT to conduct unannounced inspections to ensure compliance with accepted policies and procedures.

The Inspector General's Office determined that Lloyd Rebar did not conform to ODOT contract specifications and ASTM standards in bridge construction projects. On August 13, 2018, ODOT removed Lloyd Rebar Co. from the ODOT Certified Supplier Program for a minimum of 180 days, whereby Lloyd Rebar would then be permitted to reapply for the program. On June 6, 2019, the director of ODOT reported to the Inspector General's Office that ODOT would perform and increase the number of unannounced inspections of vendor sites.

On June 6, 2019, the director of ODOT reported to the Inspector General's Office that ODOT would perform and increase the number of unannounced inspections of vendor sites.

OHIO DEPARTMENT OF TRANSPORTATION**FILE ID NO: 2018-CA00047**

On November 9, 2018, the Inspector General’s Office received an anonymous complaint alleging inappropriate conduct by Ohio Department of Transportation (ODOT) District 11 Sourcing Supervisor Scott Bates and his supervisor, Labor Relations Officer 3 Chad Cline. The complaint alleged that Bates and Cline inappropriately approved the purchase of pipe products from the vendor Beagle Hill Services, LLC (BHS). BHS was owned by Scott Bates’ mother. Cline allegedly was aware of this conflict and still permitted Bates to have a role in managing ODOT’s purchases and invoices from BHS. Additionally, the complaint alleged that Bates acted inappropriately by seeking secondary employment at BHS. During the course of the investigation, there were additional allegations of suspected retaliation against several ODOT employees who were interviewed as a part of the investigation.

*Conflict of Interest Allegation*

On January 23, 2019, the Inspector General’s Office interviewed ODOT District 11 Sourcing Supervisor Scott Bates. Bates admitted to investigators that as the procurement officer for District 11, he was aware of the conflict of interest created by failing to remove himself from the BHS purchase order (PO) process. Bates’ previous supervisor and Business and Human Resources Administrator Ben Kunze told investigators that he had explained to Bates that, “... the optics would not look good,” and that he (Kunze) would not permit District 11 to purchase from BHS. Kunze said that his position on the matter of not purchasing piping products from Bates’ mother’s company was communicated to Bates a couple of times. Kunze said he knew that Bates could never completely remove himself from the approval process because of his position at ODOT.

Shortly after Kunze transferred from District 11 to a new position at ODOT, Bates again sought permission to purchase from BHS from District 11 Deputy Director Roxanne Kane, and from the ODOT chief legal section. The written response from the chief legal section laid out specific guidelines, and cited Ohio’s ethics laws if someone in public service is confronted with a conflict of interest. On February 27, 2018, Bates responded to the chief legal section’s written response, stating District 11 would begin purchasing from BHS because the vendor offered lower prices.

Bates told investigators that at the time District 11 began purchasing from BHS, he removed himself from the BHS PO process. However, several witnesses told investigators that, given Bates’ position as sourcing supervisor, it was not possible for him to totally remove himself from the BHS PO process. On more than one occasion when approached with a PO to sign involving BHS, Bates would hand-deliver the PO to his supervisor Chad Cline and ask him to approve it for him. As Kunze told investigators, “Scott (Bates) could not remove himself from the process.”

Investigators concluded that because of Scott Bates' personal relationship with the owner of BHS, Bates acted inappropriately because he did not completely remove himself from the purchasing and invoice approval process with BHS, as required under Ohio Ethics law.

Secondary Employment Issues

After District 11 began to purchase from BHS, investigators learned Bates submitted a secondary employment request to work for BHS. Bates explained to investigators that he received permission for his secondary employment from the ODOT

chief legal section. However, his request for secondary employment failed to disclose to the ODOT attorney reviewing his request that the company he was seeking employment from had a contract with ODOT and was owned by his mother. Without this relevant information, the attorney reviewing the application responded to his request indicating, "I do not see any direct conflict" Investigators asked Bates how his secondary employment with BHS would be perceived when considering the significant concerns Kunze stated regarding District 11 purchasing from BHS. Bates responded that because of the position he held at BHS, he was not involved with the same area of his mother's company that sold pipe to ODOT. Bates added, "I assumed that legal would search to see if BHS was doing business with ODOT." Investigators concluded Scott Bates acted inappropriately when he sought and obtained secondary employment at BHS.

... because of Scott Bates' personal relationship with the owner of BHS, Bates acted inappropriately because he did not completely remove himself from the purchasing and invoice approval process with BHS, as required under Ohio Ethics law.

During the course of this investigation, ODOT revised the agency's secondary employment form to require contractual and personal relationship information.

Suspected Retaliation

ODOT employees who were interviewed during the investigation made allegations to investigators that they were being targeted by Cline and Bates for either their cooperation with the Inspector General's Office, or because Cline and Bates believed these employees were responsible for the anonymous complaint received by the office. Kunze reported to investigators that Bates told him, "I think I know who did it." Investigators learned that after conducting various interviews with ODOT employees, Bates and Cline began to treat the employees of the Business and Human Resources (BHR)/Accounting suite differently based upon their suspicions of the employees' involvement in initiating the investigation. Investigators also learned that Bates apologized to the employees, telling each of them that he initially believed they reported him to the Inspector General's Office, but that he no longer felt they were the "one." Investigators discovered Cline targeted an employee he believed was responsible for the unwanted attention to their section. The Inspector General's Office concluded that both Scott Bates and Chad Cline attempted to intimidate ODOT employees who were cooperating with investigators during the investigation.

The Inspector General's Office made three recommendations to the Ohio Department of Transportation and referred the matter to the Tuscarawas County Prosecuting Attorney and Ohio Ethics Commission for their consideration.

Ohio Bureau of Workers' Compensation and Industrial Commission of Ohio

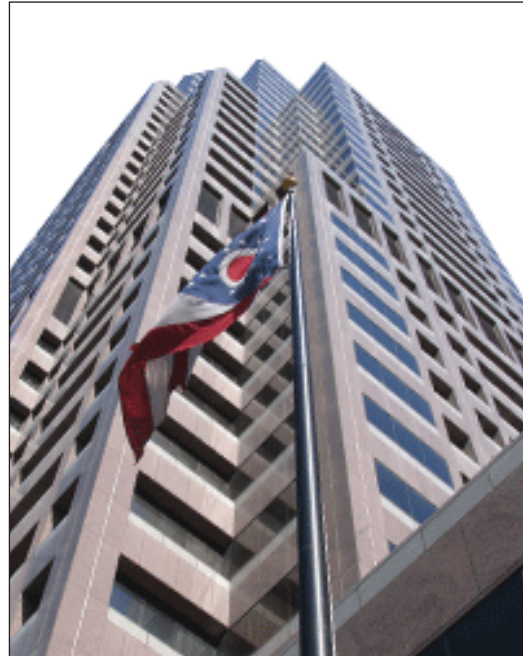
2019 Report

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 12 service offices, 13 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 2019 Annual Report, OBWC served 249,472 active employers and paid \$1.3 billion in benefits to injured workers.

Since 1912, the Industrial Commission of Ohio is a separate adjudicatory agency whose mission is to serve injured workers and Ohio employers through prompt and impartial resolution of issues arising from workers' compensation claims and through the establishment of an adjudication policy. Hearings on disputed claims are conducted at three levels within the commission: the district level, staff level, and commission



*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.

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 2019 Annual Report, the three commissioners and 79 hearing officers collectively heard 111,316 claims 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 2019, the Inspector General's Office staff attended several monthly OBWC board of directors' audit, investment, actuarial, and/or medical services and safety 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 made themselves available to employees should they want to discuss any issues or concerns, and in addition, met with newly appointed OBWC and ICO management to educate them on the duties of the Inspector General's Office.

In 2019, 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 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 2019, there were 15 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-CA00004 thru 2018-CA00009

On August 21, 2014, during an Ohio Bureau of Workers' Compensation (OBWC) Board of Directors' Audit Committee meeting, OBWC management announced a new initiative "... to fund advanced research in workplace safety and health through higher-education and research organizations." Subsequently, a program was established by OBWC to award research grants, totaling \$2 million using OBWC Division of Safety and Hygiene funds, in collaboration with the



Ohio Department of Higher Education. Each research grant was not to exceed \$250,000 and was to have a maximum project length of 12 to 24 months. OBWC awarded the initial research grants in March of 2015 and has continued to award additional grants each fiscal year.

On February 5, 2018, the Inspector General's Office initiated a series of investigations to evaluate six universities who had received research grants from the Ohio Occupational Safety and Health Research Program which is administered by the Ohio Bureau of Workers' Compensation (OBWC) Division of Safety and Hygiene. The investigation sought to determine whether The Ohio State University (OSU), Case Western Reserve University (CWRU), Cleveland State University (CSU), Bowling Green State University (BGSU), Ohio University (OU), and the University of Cincinnati (UC) spent research grant monies awarded to them by the program in accordance with the provisions specified in their grant agreements and grant proposal guidelines. The investigation also examined the level of oversight exercised by OBWC when awarding and monitoring these grants.

The Inspector General's Office obtained and examined records and emails from OBWC and the six universities and interviewed the then-OBWC Division of Safety & Hygiene superintendent about the research program requirements. Investigators reviewed the proposal requirements for each of the research grants awarded to the universities and the supporting documentation provided by the universities to determine whether the expenditures for all the grants were in accordance with the research grants' proposal guidelines, and corresponding approved project budgets. Investigators also reviewed the submission dates of the required quarterly, interim, and final reports submitted by the universities.

The Inspector General's Office concluded that The Ohio State University, Cleveland State University, Bowling Green State University, and Ohio University provided all required deliverables and spent research grant funds in accordance with the provisions specified in their grant agreements and grant proposal guidelines for the research grants awarded to them by OBWC.

However, the Inspector General's Office concluded that both research projects conducted by Case Western Reserve University did not satisfactorily complete the research outlined in CWRU's submitted research proposals. Additionally, investigators found the indirect costs charged to the project led by Dr. Ming-Chun Huang exceeded the OBWC allowable rate. The project also purchased equipment and spent money on travel without providing OBWC with justification on the need to purchase the equipment or the purpose of travel, which was a requirement listed in the research proposal guidelines. Investigators also noted the project led by Dr. Heidi Gullett spent over \$4,000 to purchase 160 gift cards to distribute to research participants 28 days before the end of the research. Investigators learned the research team had difficulties recruiting participants, and investigators questioned the timing and need for this purchase. The Inspector General's Office made three recommendations to Case Western Reserve University.

The Inspector General's Office concluded that The Ohio State University, Cleveland State University, Bowling Green State University, and Ohio University provided all required deliverables and spent research grant funds in accordance with the provisions specified in their grant agreements and grant proposal guidelines for the research grants awarded to them by OBWC.

The Inspector General's Office also concluded that of the two research projects awarded grant monies by OBWC to the University of Cincinnati, one research project provided all required deliverables and spent research grant funds in accordance with the provisions specified in the grant agreements and grant proposal guidelines. However, investigators determined that one research project did not satisfactorily complete the research outlined in the research proposal submitted by the university. The Inspector General's Office found that in the research project led by Dr. Susan Kotowski, the research outlined in UC's proposal and agreed upon in the research agreement was not completed. Additionally, UC officials found in a separate internal investigation, that Kotowski committed research misconduct while conducting research on the OBWC-sponsored project. The Inspector General's Office made two recommendations to the University of Cincinnati.

Moreover, during the investigation, the Inspector General's Office compared the payments issued by OBWC to the universities and confirmed the payments were issued in accordance with the grant agreement. However, investigators discovered that the following universities received funds in excess of the amounts they had spent to complete their research projects: Bowling Green State University (\$13,933.70); The Ohio State University (\$57,968.80); Case Western Reserve University (\$4,656.14), and the University of Cincinnati (\$97,139.63). The universities issued refunds to OBWC for these overpayments. The Inspector General's Office

issued two recommendations over the six investigations regarding the universities' grant closeout processes and the timely return of unspent funds.

Finally, the Inspector General's Office concluded OBWC did not implement financial policies and procedures to monitor the awarding and spending of research grant funds. Additionally, investigators found OBWC failed to comply with certain terms and conditions of the research agreements when OBWC created and submitted invoices on behalf of several universities. In the six university investigations, the Inspector General's Office made over 60 recommendations to the Ohio Bureau of Workers' Compensation to strengthen the agency's internal control systems related to the awarding and monitoring of research grants.

In response to the recommendations specified in the conclusion of the first of the series of investigations, on November 27, 2019, OBWC Administrator/CEO Stephanie McCloud informed the Inspector General's Office that OBWC had implemented numerous changes and enhancements to its requirements, procedures, and processes involving OBWC's awarding of research grants.

**AGENCIES: OHIO BUREAU OF WORKERS' COMPENSATION
OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES
ARDENT TECHNOLOGIES, VENDOR**

FILE ID NO: 2017-CA00012

In April 2017, the Inspector General's Office initiated an investigation to examine the Ohio Bureau of Workers' Compensation (OBWC) actions involving the hiring of and payments issued to Ardent Technologies, Inc.

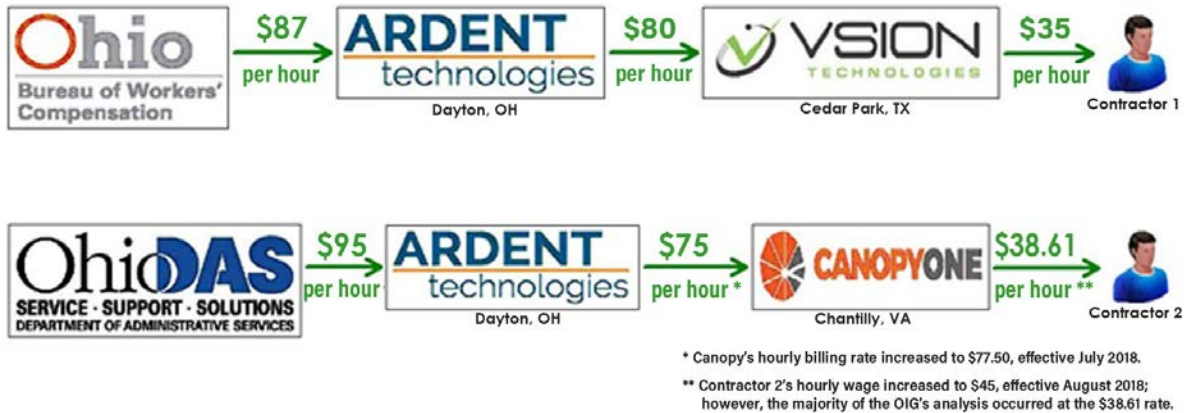
(Ardent). This investigation sought to determine whether these actions related to Ardent were in accordance with agency and state procurement policies and state term schedule (STS) contract terms and conditions. In July 2018, the investigation was expanded to include payments issued to Ardent by the Ohio Department of

Administrative Services (ODAS), because Ardent told investigators that they had provided a subcontractor to deliver IT consulting services to both OBWC and ODAS.



The Inspector General's Office requested and received copies of Requests for Quotes (RFQ) from OBWC and ODAS that were submitted to fill positions needed to complete tasks on two critical agency projects. These RFQs were subsequently awarded as contracts to Ardent Technologies, Inc. for each agency. From a review of these records, investigators concluded Ardent only provided limited services to OBWC and ODAS. Investigators discovered Ardent had entered into sub-vendor agreements with VSION Technologies (VSION) of Cedar Park, Texas, and Canopy One Solutions (Canopy One), of Chantilly, Virginia, to provide the contractors who performed the IT consulting services to OBWC and ODAS, respectively.

Analysis revealed Ardent's services were limited to processing the paperwork required to obtain payment for services provided by the consultant, meeting with ODAS to evaluate the consultant's work, and remitting payments to the two subcontractors. Investigators reviewed and analyzed records associated with all payments made by OBWC and ODAS to Ardent and payments received by subcontractors VSION and Canopy One. Investigators determined OBWC's contracted payment of \$87 per hour to Ardent and ODAS' contracted payment of \$95 per hour to Ardent were disbursed in the following manner:



Investigators determined Ardent transferred to these out-of-state subcontractors 79.2% of its payments, or \$522,642.60, that Ardent had received from OBWC and ODAS. Investigators also discovered that both OBWC and ODAS issued payments to Ardent for hours worked by the consultant prior to obtaining an approved R&P request and a purchase order being issued.

Investigators also discovered OBWC management had decided to fill a vacant position with a consultant during the same time a state employee was being trained to acquire the technical skills needed to perform the duties of the vacant position because of the departure of a state employee. In July 2015, OBWC awarded a contract to Ardent for a senior database position for the period of July 15, 2015, through June 30, 2016. Investigators conducted various interviews and analyzed OBWC records and emails to evaluate the procurement process used by OBWC to award and renew Ardent's contract. Investigators found:

- A consultant previously hired by OBWC participated as a subject matter expert (SME) in the interview of a consultant represented by Ardent and other prospective candidates. No evidence was found to support that OBWC had verified whether the SME had a conflict of interest prior to interviewing the prospective candidates.
- OBWC submitted an R&P request to renew a consultant's contract with Ardent for fiscal year 2017 even though OBWC had previously sent a state employee to be trained to acquire the technical skills needed to perform the duties of the contractor.
- The justification statement attached to the R&P request to renew the contract with Ardent for fiscal year 2017, stated, "... BWC doesn't have sufficient staff to support this function. Any re-bidding will cause a loss of historical knowledge, and the risk of

not meeting project deadlines.” Interviews with OBWC revealed that the justification statement was based on the information contained in the statement of work, an IT Division request to retain the consultant, and that the OBWC IT Division did not approve the justification statement prior to its submission with the R&P request to ODAS.

The Inspector General’s Office concluded:

- Ardent failed to comply with certain terms and conditions of the STS contract;
- OBWC staff failed to comply with: various provisions specified in state law, an executive order, RFQ procedures, and agency policies;
- ODAS staff failed to comply with ODAS directives; and that
- OBWC and/or ODAS improperly issued payments contrary to state law and ODAS procurement policies.

The Inspector General’s Office issued 11 recommendations to the Ohio Bureau of Workers’ Compensation and 17 recommendations to the Ohio Department of Administrative Services in an effort to strengthen the agencies’ internal control systems and to clarify procurement guidance provided by ODAS to state agencies, boards, and commissions.

OHIO BUREAU OF WORKERS’ COMPENSATION

FILE ID NO: 2018-CA00035

In August of 2018, the Ohio Bureau of Workers’ Compensation (OBWC) referred to the Inspector General’s Office allegations that OBWC Medical Claims Specialist Jessica Caldwell and Medical Claims Supervisor Lauren McLuckie had submitted “altered” or “falsified” physician verification (PV) statements in order to use sick leave or vacation leave (in lieu of sick leave), in violation of OBWC policy.

A properly submitted **physician verification statement (PV)** should provide: the employee or family member that is being seen or treated by the physician; the date the appointment or visit occurs; and the date the employee can return to work.

Investigators obtained PVs submitted by Jessica Caldwell and subpoenaed records from the associated doctors’ offices to verify the authenticity of the PVs submitted. Investigators determined that Caldwell submitted 10 PVs in which neither she, her sister, nor her son were seen or treated by the medical provider as specified on the PV. Investigators also discovered a file Caldwell had saved on the OBWC network titled “dr. note.” Investigators determined Caldwell had used this file and an OBWC printer to create 4 of the 10 PVs submitted to her supervisor. On August 24, 2018, Caldwell was interviewed by the Inspector General’s Office. Caldwell was unable to explain to investigators why there were differences in the same physician’s signature on multiple PVs she had submitted. Caldwell was also unable to explain why the medical provider told OBWC that Caldwell had not been seen or treated on the days specified on the PVs. However, Caldwell denied creating the PVs in question. After

the interview, Caldwell resigned from her position at OBWC. The Inspector General's Office concluded that Caldwell submitted the fraudulent PVs in order to use 74.2 hours of leave totaling \$1,294.73.

Investigators also obtained from OBWC 26 PVs submitted by Lauren McLuckie. Investigators discovered various discrepancies on her PVs, including: misspellings of a physician's name; markings positioned on the first PV submitted by McLuckie appeared in the same position on subsequently submitted PVs indicating that the same copy machine had been used to duplicate the PVs; and the information reported on the first PV submitted by McLuckie was typed and on subsequently submitted PVs was handwritten.



On August 31, 2018, Lauren McLuckie was interviewed by the Inspector General's Office. After reviewing the PVs provided to investigators by OBWC, McLuckie admitted to investigators that she had submitted the PVs. Investigators discussed with McLuckie the various discrepancies they discovered from their examination of the PVs. McLuckie was unable to offer an explanation for the discrepancies and denied creating the PVs in question.

OBWC examined McLuckie's workstation and discovered an orange folder stored in her desk. Inside the folder were multiple copies of a PV form in various states of alteration and pages containing handwritten physician signatures.

Investigators also subpoenaed records from the associated medical providers to verify the authenticity of the PVs McLuckie submitted. Investigators determined that McLuckie submitted 10 PVs in which neither she, her daughter, nor her son were seen or treated by the medical provider as reported on the PV. The Inspector General's Office concluded that McLuckie submitted 10 fraudulent PVs in order to use 102.3 hours of leave totaling \$2,227.43. OBWC removed McLuckie from employment on September 7, 2018.

On February 13, 2019, the Franklin County Grand Jury indicted Jessica Caldwell on one count of Theft in Office and three counts of Forgery. On November 6, 2019, Caldwell entered a plea of guilty to one count of attempted forgery in violation of Ohio Revised Code §2923.02 as it relates to §2913.31 of the Ohio Revised Code and was ordered to pay restitution of \$1,294.73 to OBWC.

Professional Involvement in the Community

International Dignitaries and U.S. Department of State Representative Visit the Inspector General's Office

The International Visitors Council (IVC) of Columbus 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." IVC is affiliated with the U.S. Department of State and coordinates meetings between international government representatives and state government officials. These meetings are designed to familiarize delegates with state government in the United States and how it is different from the federal level of government. The program is intended to acquaint delegates with the purpose and function of the three branches of state government, and to illustrate how "local control of local government" is both beneficial and representative.

In 2019, Inspector General Meyer spoke to 11 delegates representing three countries: India, Pakistan, and Nepal. 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 nine years involved with the IVC program, Inspector General Meyer has met with nearly 200 delegates representing 19 countries.



Also, in 2019, because of the notable work of IVC and its participants, Anne Grimes, who serves as director for the Office of International Visitors for the U. S. Department of State, visited Columbus to review the program. Due to IVC's access to key people in Columbus who represent influential areas of government and participate in the program, Grimes visited with each of these individuals who explained why Columbus is uniquely qualified to support this outstanding program. On April 17th, Grimes met with Inspector General Meyer who reviewed his office's involvement in the program. Meyer discussed how the office hosts visiting dignitaries, examined the methods the Inspector General engages in and shares information with different international visitors, and conferred suggestions for improving the program.



Anne Grimes, director for the Office of International Visitors with Inspector General Meyer.

Inspector General's Office Participates in Buckeye Boys State Program

Founded in 1936, American Legion Buckeye Boys State (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." 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. BBS presents to students various sessions on how the different sections of Ohio government interact and function. On June 12, 2019, the Inspector General's Office again participated in the American Legion Buckeye Boys State. Representing the Inspector General's Office, Deputy Inspector General Becky Wolcott and Investigative Support Specialist Kerri Kellogg advised three young men on how to establish a working inspector general's office, define its duties, and conduct investigations. The Inspector General's Office has been involved in this important program for nine consecutive years.



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
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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 term of the inspector general serving on the effective date of this amendment ends January 11, 2021. The inspector general shall be appointed by the governor quadrennially thereafter, subject to section 121.49 of the Revised Code and the advice and consent of the senate, and shall hold office for a term of four years commencing on the second Monday of January. 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.

Amended by 132nd General Assembly File No. TBD, HB 49, §101.01, eff. 9/29/2017.

Effective Date: 09-26-2003; 2007 HB119 09-29-2007.

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 Status of deputy inspector general as peace officer

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

121.49 Qualifications

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

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

121.50 Administrative rules

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

121.51 Deputy inspector general for transportation department

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

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

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

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

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

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

121.52 Deputy inspector general for workers' compensation

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

The deputy inspector general for the bureau of workers' compensation and the industrial commission shall investigate wrongful acts or omissions that have been committed by or are being committed by officers or employees of the bureau of workers' compensation and the industrial commission. The deputy inspector general has the same powers and duties regarding matters concerning the bureau and the commission as those specified in sections 121.42, 121.43, and 121.45 of the Revised Code for the inspector general. Complaints may be filed with the deputy inspector general in the same manner as prescribed for complaints filed with the inspector general under section 121.46 of the Revised Code. All investigations conducted and reports issued by the deputy inspector general are subject to section 121.44 of the Revised Code.

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

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

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

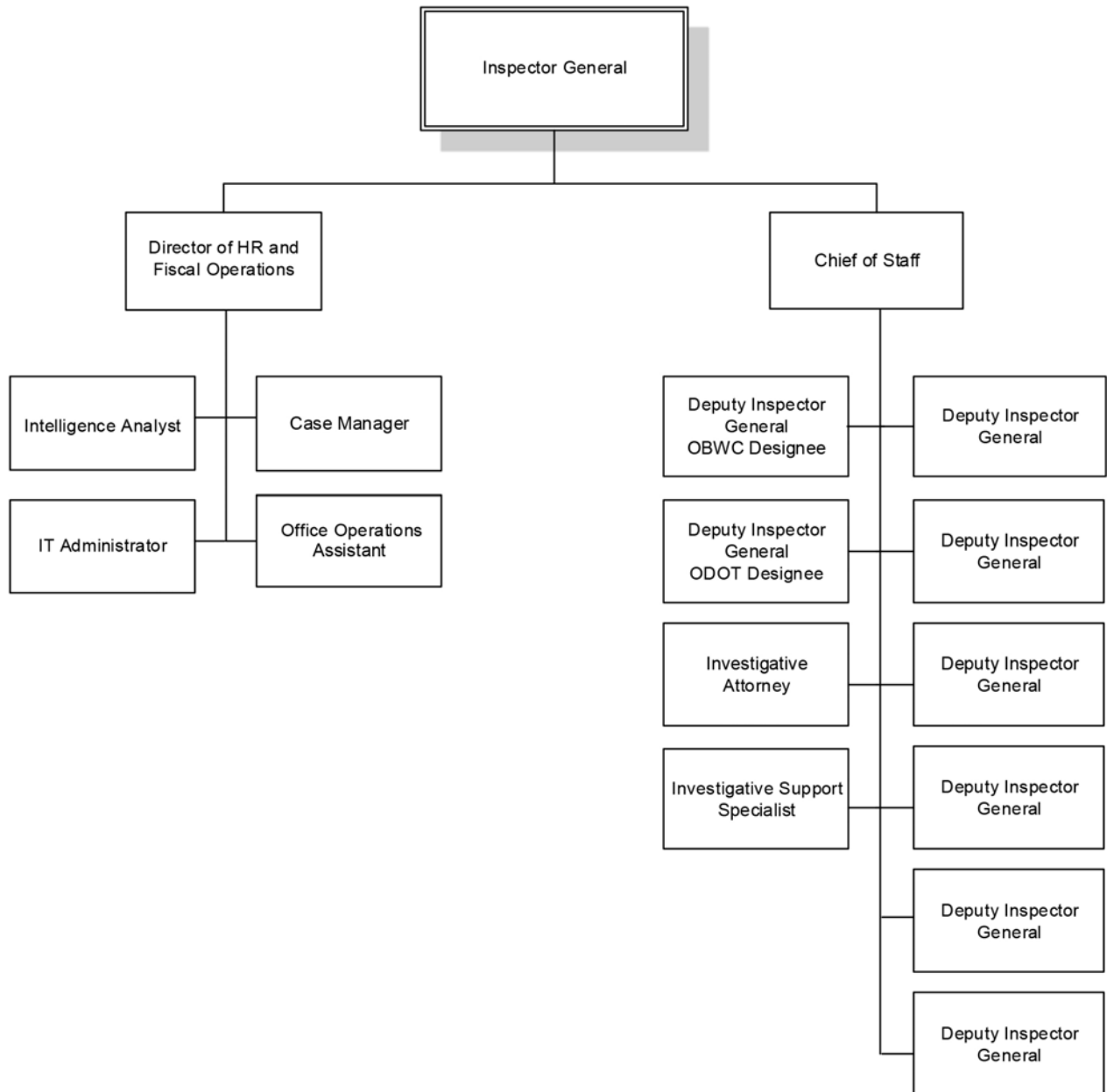
At the conclusion of an investigation conducted by the deputy inspector general for the bureau of workers' compensation and industrial commission, the deputy inspector general shall deliver to the board, the administrator, the industrial commission, and the governor any case for which remedial action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

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

Table of Organization

Appendix 2: Table of Organization

Office of the Ohio Inspector General Organizational Chart



Contact Information

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Follow us on Twitter:



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REPORT FRAUD, WASTE, OR ABUSE

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