

# Office of Inspector General

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- A maximum of \$375,000 per fiscal year is set aside for special investigations
- Total biennium budget of \$3,655,273
- An average of 60 investigations opened each year as a result of complaints

## OVERVIEW

### Duties and Responsibilities

The Office of Inspector General (IGO) investigates fraud, waste, abuse, and corruption within the executive branch of state government. Complaints received by the office are reviewed and evaluated to determine whether there is reasonable cause to believe the underlying allegations, if true, would constitute a “wrongful act or omission” on the part of a state officer, agency, or employee. The jurisdiction of this office extends to the Governor, his staff, state agencies, departments, boards, commissions, and any other entities appointed, employed, controlled, directed, or subject to the authority of the Governor.

At the conclusion of an IGO investigation, a report of investigation is completed and provided to the Governor and the agency subject to investigation. The report may include recommendations for the board to consider in addressing and avoiding the recurrence of fraud, waste, abuse, or corruption uncovered by the investigation. When appropriate, a report of investigation may also be forwarded to a prosecutor for review to determine whether the underlying facts give rise to a criminal prosecution.

The IGO is currently coordinating the task force that is investigating the BWC, and has been involved in preparing for trials and civil litigation as a result of these investigations. The agency also is in possession of approximately one million scanned documents from these investigations that must be redacted, processed, and prepared for public records requests. Another factor affecting IGO workload is an increase in computer related complaints. As a result, the office is planning on purchasing Encase, a computer analysis system. In the past, IGO used a computer forensics expert for this type of work. However, anticipating that this service may not be available in the future, the office has chosen to buy this program and train its current staff to do this work. The cost for the equipment and training is anticipated to be \$15,000.

The Bureau of Workers’ Compensation budget bill for FYs 2008 - 2009, Am. Sub. H.B. 100 of the 127th General Assembly, creates the position of Deputy Inspector General for BWC. This position will be responsible for investigating all claims or cases of criminal violations, abuse of office, or misconduct on the part of employees of BWC or the Industrial Commission (IC). While the Deputy Inspector General would be considered an employee of IGO, all the costs incurred by the Deputy Inspector General, including salaries of that position and any other additional positions deemed necessary, would be the responsibility of BWC.

Additionally, the Transportation budget bill for FYs 2008 - 2009, Am. Sub. H.B. 67 of the 127th General Assembly, creates a position of Deputy Inspector General for ODOT. This position will be responsible for investigating all claims or cases of criminal violations, abuse of office, or misconduct on the part of employees of ODOT. While the Deputy Inspector General would be considered an employee of IGO, all the costs incurred by the Deputy Inspector General, including salaries of that position and any

other additional positions deemed necessary, would be the responsibility of ODOT, paid for by transfers from the Highway Operating Fund, to the Inspector General for ODOT Fund.

The agency appropriation for FY 2008 is \$1,792,372, a 4.1% decrease from FY 2007 levels. However, the FY 2007 amount included a one time \$500,000 appropriation for the investigation and prosecution of individuals involved with Ohio Bureau of Workers' Compensation (BWC) investment scandal. Setting this aside, the FY 2008 recommendation is a 23.6% increase from FY 2007 spending. The FY 2009 recommendation of \$1,862,901 is a 3.9% increase from FY 2008 appropriations.

**Agency in Brief**

Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2008	2009	2008	2009	
10	\$1,792,372	\$1,862,901	\$1,367,372	\$1,437,901	Am. Sub. H.B. 119

\*Employee count obtained from the Department of Administrative Services (DAS) payroll reports as of June 2007.

The IGO has contracted with anywhere from one to five investigators to assist with cases involving special skills and expertise.

## ANALYSIS OF THE BUDGET

### Single Program Series

### Investigations

**Purpose:** This program series investigates complaints of fraud, waste, and abuse in the executive branch of government.

The following table shows the line items that are used to fund the Investigations program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	965-321	Operating Expenses	\$1,367,372	\$1,437,901
4Z3	965-602	Special Investigations	\$425,000	\$425,000
<b>Total Funding: Investigations</b>			<b>\$1,792,372</b>	<b>\$1,862,901</b>

**Program Description:** This program extends to the Governor, the Governor's cabinet and staff, state agencies, departments, boards and commissions, state universities, and state medical colleges. Outside of the jurisdiction of the office are community colleges, the courts, the legislature, and the offices of the Secretary of State, Auditor, Treasurer, Attorney General, and their staff and employees.

**Funding Source:** GRF and up to \$375,000 each fiscal year from a Controlling Board transfer for special investigations

**Implication of the Budget:** The budget amount meets the request for funding submitted by IGO. The funding will permit the office to maintain its levels of staffing and services. Additionally, while the positions of Deputy Inspector Generals are funded by the Bureau of Workers' Compensation and the Department of Transportation, the position resides within the Office of the Inspector General. It is unknown at this time as to whether there will be any fiscal impact within the IGO due to the creation of these positions.

**FY 2008 - 2009 Final Appropriation Amounts**

**All Fund Group**

<i>Line Item Detail by Agency</i>			<i>FY 2005:</i>	<i>FY 2006:</i>	<i>Adj. Appropriations:</i>	<i>FY 2008 Appropriations:</i>	<i>% Change 2007 to 2008:</i>	<i>FY 2009 Appropriations:</i>	<i>% Change 2008 to 2009:</i>
<b>Report For: Main Operating Appropriations Bill</b>			<b>Version: Enacted</b>						
<b>IGO Inspector General, Office of the</b>									
GRF	965-321	Operating Expenses	\$ 746,718	\$ 1,298,810	\$ 1,269,085	\$ 1,367,372	7.74%	\$ 1,437,901	5.16%
GRF	965-403	BWC Investigation and Prosecution	----	----	\$ 500,000	----	N/A	----	N/A
<b>General Revenue Fund Total</b>			<b>\$ 746,718</b>	<b>\$ 1,298,810</b>	<b>\$ 1,769,085</b>	<b>\$ 1,367,372</b>	<b>-22.71%</b>	<b>\$ 1,437,901</b>	<b>5.16%</b>
4Z3	965-602	Special Investigations	\$ 100,158	\$ 63,284	\$ 100,000	\$ 425,000	325.00%	\$ 425,000	0.00%
<b>General Services Fund Group Total</b>			<b>\$ 100,158</b>	<b>\$ 63,284</b>	<b>\$ 100,000</b>	<b>\$ 425,000</b>	<b>325.00%</b>	<b>\$ 425,000</b>	<b>0.00%</b>
<b>Inspector General, Office of the Total</b>			<b>\$ 846,875</b>	<b>\$ 1,362,094</b>	<b>\$ 1,869,085</b>	<b>\$ 1,792,372</b>	<b>-4.10%</b>	<b>\$ 1,862,901</b>	<b>3.93%</b>