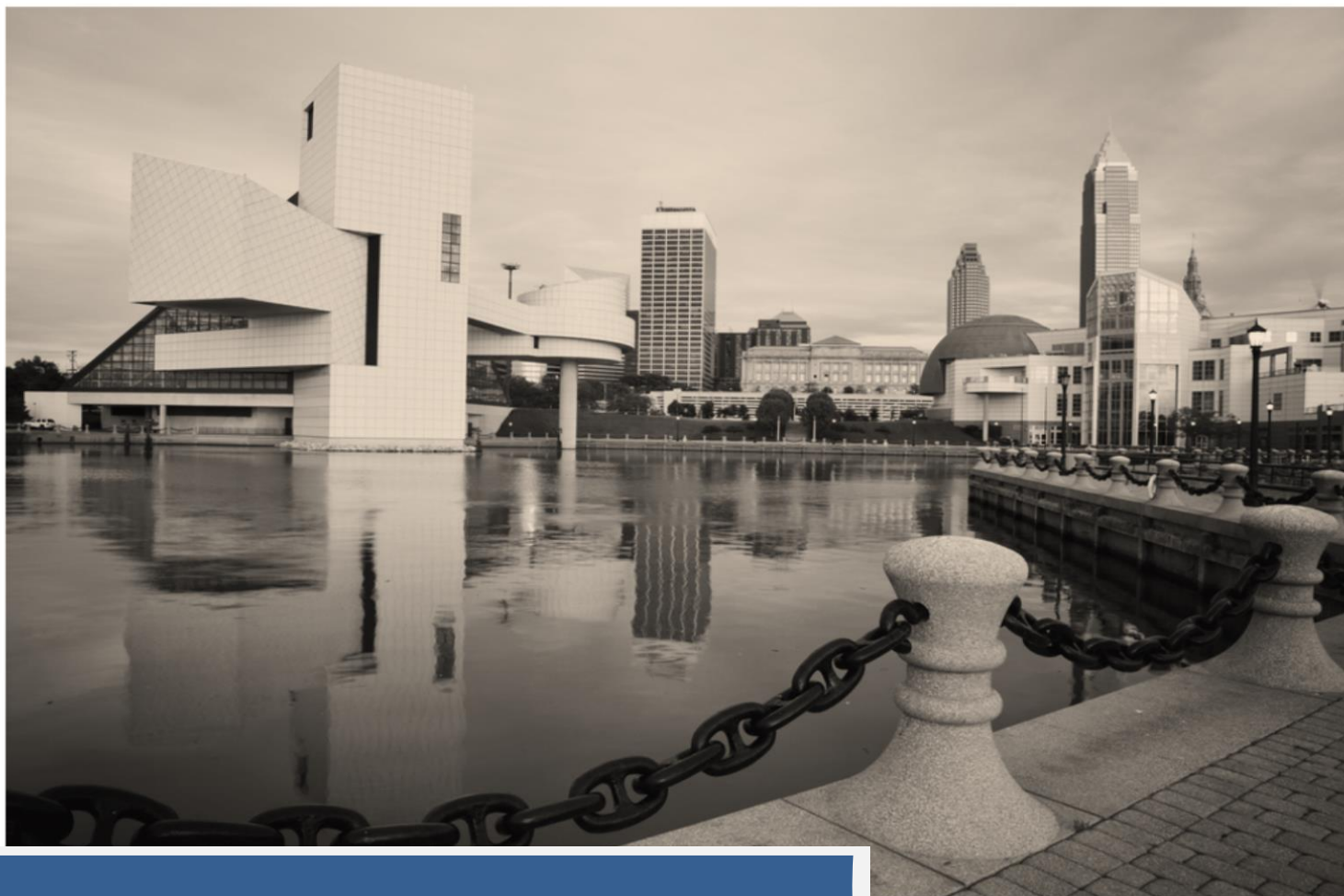




Cuyahoga County Agency of Inspector General



SEMI-ANNUAL REPORT

July 1, 2018 – December 31, 2018

Mark D. Griffin
Inspector General



**CUYAHOGA COUNTY
AGENCY OF INSPECTOR GENERAL**

February 28, 2019

Dear Citizens of Cuyahoga County,

I am pleased to present to you the Cuyahoga County ("County") Agency of Inspector General's ("AIG") Semi-annual Report for the period July 1, 2018 through December 31, 2018.

During the final six months of 2018, among other things, the AIG:

- Continued to assist law enforcement entities in their investigations of allegations of public corruption;
- Participated with Federal, State, and County teams to inspect and review the Cuyahoga County Correctional Center;
- Investigated and issued reports of misconduct relating to officials in the Cuyahoga County Correctional Center.
- Collaborated with the Charter Review Commission, County Council and the County Executive to establish the AIG within the County Charter;
- Initiated a new pilot program to assist the County Treasurer's Office and the County Prosecutor's Office to collect unpaid taxes that precipitated payments of an additional \$812,682.02 in uncollected delinquent property taxes;
- Initiated a new program to save the County time and money by providing continuing legal ethics education to County attorneys;
- Completed 21 investigations;
- Monitored improvements to the Department of Development's loan servicing program;
- Provided 58 ethics advisory opinions;
- Reviewed 138 contractor background checks;
- Reviewed 2,166 driver's license abstracts; and
- Continued to expand its preventative and proactive ethics education program to reach out to all County departments.

I welcome your thoughts and comments on our past and on our future.

Respectfully,

A handwritten signature in blue ink, appearing to read "Mark D. Griffin".

Mark D. Griffin, Inspector General

Inspector General Mark D. Griffin



Mark D. Griffin ("Mr. Griffin") serves as Cuyahoga County's ("County") second Inspector General ("IG"). Mr. Griffin was appointed as IG by County Executive Armond Budish and was unanimously confirmed by County Council. Mr. Griffin was appointed on April 28, 2015 to fill an unexpired term ending June 30, 2016. Subsequently, Mr. Griffin was reappointed to a five (5) year term commencing July 1, 2016 and ending June 30, 2021. In his role as IG Mr. Griffin is responsible for investigating waste, fraud and abuse in the County, which has approximately five thousand (5,000) employees and a one point three billion (\$1.3 billion) dollar annual budget.

Prior to becoming IG, Mr. Griffin represented whistleblowers in matters before federal court and state court involving the United States ("U.S.") Department of Labor, the U.S. Internal Revenue Service and the U.S. Securities and Exchange Commission. He practiced law for more than twenty (20) years with a substantial part of his law practice including the investigation of dishonest and fraudulent conduct. Mr. Griffin litigated cases under the False Claims Act involving allegations that certain defendants defrauded the United States. He has also represented U.S. Treasury agents who investigated money-laundering and financial fraud allegations; as well as whistleblowers who revealed fraudulent practices in major hospital chains, assisted living facilities and pharmacies.

Mr. Griffin's law practice included several significant cases which involved complicated financial investigations. The Cellnet Case involved discriminatory pricing of cellular telecommunications services and resulted in, among other things, a twenty-two (\$22,000,000) million-dollar settlement for his client – considered by the Judge to be one of the largest single-plaintiff settlements in County history. Separately, the Penn Central Case lasted over 40 (forty) years and resulted in a fourteen point eight (\$14.8) million-dollar settlement for thirty-two (32) former employees. Both of these cases required investigations into payment practices of contractors or employees. Mr. Griffin's cases also include a one point seven (\$1.7) million-dollar fraud judgment against an associate of the Scarfo crime family.

Mr. Griffin earned his Masters' Degree in Public Policy from Harvard's John F. Kennedy School of Government. He graduated at the top of his class from Case Western Reserve University School of Law and received his Bachelor's Degree in Economics and Political Science from the University of Pennsylvania. Mr. Griffin's background includes working as an Intern for a Conservative member of British Parliament, and serving two years as a Peace Corps volunteer in Cameroon, West Africa building schools, supporting small economic development projects and promoting community development.

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Executive Summary

During the second half of 2018, the Agency of Inspector General ("AIG") worked significantly to assist law enforcement entities, collaborated with inspections of the Cuyahoga County Correctional Center, closed 21 investigations, precipitated an additional \$812,682.02 in delinquent tax payments, expanded its proactive ethics education program and issued 58 ethics opinions.

Some of the AIG's representative work of the last six months of 2018 includes:

Cooperation and Assistance with Public Corruption Investigations

The AIG (1) is not a law enforcement entity, (2) just recently gained subpoena power, and (3) is required by County ordinance to refer matters to an appropriate law enforcement entity if there is a reasonable belief that there is a violation of law. During the last six months of 2018, however, the AIG assisted the efforts of law enforcement to investigate allegations of criminal public corruption.

Review of Conditions in Cuyahoga County Correctional Center

Coordination with Federal, State, and Local Inspections. AIG staff participated in reviews and inspections of the County Jail conducted by the U.S. Marshals Service, the Ohio Department of Rehabilitation and Corrections, the Cuyahoga County Sheriff's Department and the Cuyahoga County Department of Public Works.

Former Regional Jail Director Kenneth Mills. The AIG investigated allegations that former Regional Jail Director Kenneth Mills made discriminatory comments to and about County employees. The AIG found that there was support for finding that Mills made discriminatory comments.

Former Warden Eric Ivey. The AIG investigated and determined that for a period of time Warden Ivey indirectly supervised his spouse in violation of County Ethics laws.

2018 Inspector General Charter Amendment

The AIG worked with Members of County Council and the Charter Review Commission to draft a proposed amendment adding the AIG to the County Charter. This amendment solidified the existence of the AIG, clarified its jurisdiction, and provided the AIG with the power to issue administrative subpoenas. The AIG charter amendment was passed by voters on November 6, 2018 and became effective on December 27, 2018.

Initiated a Pilot Program that Precipitated an Additional \$812,682.02 in Tax Payments by Delinquent Tax Debtors.

Working cooperatively with County Treasurer Chris Murray and County Prosecutor Michael C. O'Malley and their staff, the AIG created a new program that identified taxpayers most likely to be responsive to potential debarment for failure to pay taxes. Following notification by the AIG that they might be debarred, the identified delinquent taxpayers remitted an additional \$812,682.02 to the County Treasury. The AIG expects that this low-cost program will expand in the future.

Initiated a Program to Provide Free Continuing Legal Education Credits to County Attorneys.

The AIG started a new seminar to save the County money by providing ethics and professionalism credits for County attorneys. The AIG collaborated with the Ohio Supreme Court's Office of Disciplinary Counsel and intends to make this an annual program.

Increased Proactive Ethics Education

During this reporting period, the AIG continued to expand its proactive education program. The AIG conducted more than two-dozen in-person ethics training sessions. The AIG has found County employees to be engaged and concerned with making certain that County government acts appropriately as a steward of the public interest.

Other Accomplishments During the Second Half of 2018

Less than half of the AIG's resources are dedicated to investigations. Instead, the bulk of its resources are targeted towards achieving mandated ethics or compliance requirements.

For example, during the last six (6) months, as part of its compliance obligations, the AIG:

- Reviewed 2,166 Driver's License Abstracts for employees authorized to operate a County owned vehicle or drive a personal vehicle for County purposes. The AIG narrowed the number of potential County Vehicle Use Policy violations to twenty-two (22) employees. The identified employees were reported to the Agency directors and HR for further review and, where necessary, disciplined.
- Reviewed 238 Secondary Employment & Private Business Activity Disclosures.
- Reviewed 166 Nepotism/Conflict of Interest submissions.
- Initiated and reviewed background checks regarding 138 contractors.
- Issued 58 Ethics Opinions and Advisories.

Goals – Past and Present

Goals Past: Comparing Actual Performance to Goals Originally Set for the Second Half of 2018

In its prior semi-annual report, the AIG set forth three (3) specific goals relating to the mission of the agency. As discussed below, these goals were partially – but not completely -- achieved:

- 1) **Assist and Cooperate with Law Enforcement Authorities** regarding related investigations. The AIG devoted substantial resources in support of investigations by law enforcement authorities.
- 2) **Hire a Full Time IT Auditor & "Big Data" Analyst.** The AIG is very pleased to report that it has hired Mr. John Cornwell, an Investigative Systems Analyst, and Ms. Sicily Woods, Data Analyst, during the Second Half of 2018.
- 3) **Expand the AIG's Proactive Education Programs** by reaching out to other municipal or government officials in Cuyahoga County as well as contractors and lobbyists with emailed ethics updates. Although the AIG expanded its proactive education program, it did not include County contractors, and lobbyists.

For the first half of 2019, the AIG intends to achieve the following goals:

- 1) **Continue to Assist and Cooperate with Law Enforcement Authorities regarding related investigations.** The AIG will continue to assist the pending investigations with any and all resources requested by law enforcement.
- 2) **Acquire “Full and Unrestricted Access” to County Documents.** The AIG will work with the Department of Information Technology and the Law Department to attain the “full and unrestricted access” to County records as set forth in County Charter Article XV, Section 15.01.
- 3) **Initiate “Big Data” Reviews of County Data and Data Updates.** The AIG will initiate a data driven process and will issue regular data updates on issues of importance to the County.
- 4) **Expedite Conflict of Interest Reviews for County Travel Requests.** The AIG will institute a process to quickly and efficiently review and evaluate potential conflicts of interest posed by County travel requests.

SECTION 1: ADMINISTRATION¹

1.1 AGENCY OF INSPECTOR GENERAL STRUCTURE

1.2 AGENCY OF INSPECTOR GENERAL BUDGET



9 Full Time Staff; 1 Part Time Staff

2018 Projected Budget: \$954,632

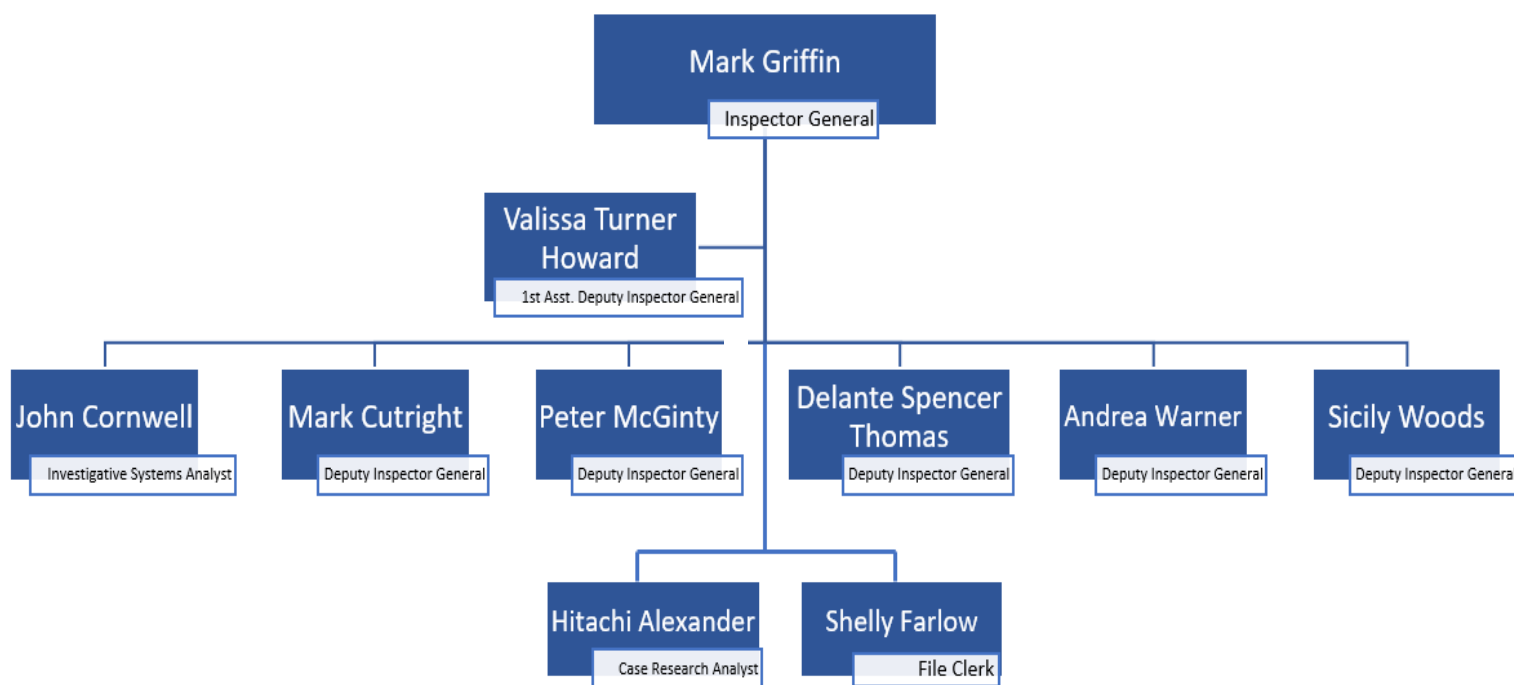
2018 Actual Spending: \$878,976

*"The AIG closed 2018 with a budget surplus
of **\$75,656**"*

¹ For additional information regarding the background and jurisdiction of the Agency of Inspector General, please see Appendix 1.

Section 1.1 – Agency of Inspector General Structure

During the second half of 2018, the AIG operated under the following organizational structure:²



² The AIG recently hired an Investigative Systems Analyst who will be shared with the Department of Internal Audit. Additionally, during the Second Half of 2018, the AIG hired an employee to fill a data analyst role.

Agency of Inspector General Staff Qualifications

The AIG hires highly qualified individuals who not only reflect the diversity of the community, but also have the necessary level of skills, abilities, and experience for their respective roles. Staff members bring an array of experiences from state, county, and federal government.



Staff members have backgrounds in and/or academic degrees in:

- Accounting
- Auditing
- Ethics & Compliance
- Fraud Examinations
- Labor Relations & Human Resources
- Crisis Communications Management
- Statistics and Analytics
- Investigations
- Law
- Law Enforcement
- Public Policy Management
- Public Relations
- Diversity & Inclusion
- Business Administration

The various certifications and licensures held by staff members include:

- Certified Inspector General
- Certified Inspector General Investigator
- Two (2) Members Certified Leading Professionals in Ethics & Compliance
- Certified Inspector General Auditor
- Certified Identity and Security Technologist
- Two (2) Certified Fraud Examiners
- Two (2) Members of the Ohio Bar
- One (1) Member of the California Bar
- Certified Ethics Associate in Information Technology

Office Development: 2018 Training Focused on Fraud Deterrence, Detection and Prevention



As part of its mission to target financial waste, fraud, and abuse, AIG staff members focused on enhancing their fraud detection skills. For instance, in this reporting period, the Inspector General, First Assistant Deputy Inspector General, along with four Deputy Inspectors General attended and participated in multiple webinars and training seminars regarding strategies used to identify fraudulent activity. These course topics included:

- Elected Officials/City Grant Funding/ Not-for-Profit Embezzlement
- Investigating Public Benefits Fraud
- Development of Audit/Review
- Using Data Analytics in Health Care Fraud Investigation
- Investigating Sexual Harassment Allegations
- Investigation of IP Theft
- Data Analytics and Ethics
- Data Analysis
- Debt Seminar
- Third Party Risk
- Improving Procurement Integrity with Data Analytics and AI
- Upholding Trust in Government: Cuyahoga County Ethics Law.
- Expense Report Fraud
- Combating Procurement Fraud
- Ethics and Good Government
- Data Analysis
- Compliance Technology
- Password Security
- Ohio Data Protection Act SB 220
- IA Vulnerability Management
- Security Technical Implementation Guides
- Endpoint Security/Ransomware 2.0/ Vulnerability Assessments
- Governmental Ethics Laws

To deliver on its responsibilities, the AIG continued its focus on building a team that has the collective capacity to perform across various skill sets including investigation, compliance evaluation, and technical support. Incorporating additional disciplines provides the Agency the capability to fully address the intended duties and responsibilities outlined in the County Code.

The AIG places special emphasis on maintaining the highest level of professionalism. The AIG invests in its most valued asset: its staff. The Agency continues to provide in-house training to all staff members on topics including the mission, function, and authority of the AIG, the County Code, and proper investigative techniques and

protocols. Additionally, the AIG provides resources for continuing education to further develop, cross-train, and add new skills to its staff of professionals.

The AIG maintained its membership in the Association of Inspectors General, a national organization of state, local and federal inspectors general and their staff during this reporting period. The Association of Inspectors General offers training seminars and certification institutes for members as well as networking opportunities. The AIG also maintains its membership in the Council on Government Ethics Law, the preeminent organization of government ethics administrators.

Section 1.2 – Agency of Inspector General Budget

The County Executive and County Council granted the AIG a total budget of \$954,632 for 2018.³ The AIG closed 2018 with a budget surplus of \$75,656. The following is a summary of the AIG's actual budget performance for 2018:

<u>Item</u>	<u>2018 Budgeted Amount⁴</u>	<u>2018 Actual⁵</u>	<u>Difference</u>
Personal Services (Salaries)	\$605,270	\$565,042	\$40,228
Personal Benefits	\$241,823	\$239,579	\$2,244
Contracts & Professional Services (Case Management Software)	\$24,793	\$14,687	\$10,106
Other Operating (Print Shop, Postage, Supplies, Training, Travel, Mileage, Telephone, Copier)	\$61,704	\$38,626	\$23,078
Controlled Services	\$21,042	\$21,042	\$0
Capital Outlays	\$0	\$0	\$0
Total:	\$954,632	\$878,976	\$75,656

As part of its mandate to create and maintain contractor and lobbyist registries, the AIG is required to collect a one hundred-dollar (\$100.00) registration fee from all non-

³ Council approved a split position in the 2018-2019 biennial budget, between the Department of Internal Audit and the AIG. Subsequently, the appropriation for the position was split between the two departments. In an effort to simplify reporting, this expense will be entirely within the Inspector General's budget going forward. Subsequently, County Council approved the transfer of \$24,802 from the Internal Audit budget to the AIG's budget to consolidate the 2018 appropriation into the AIG budget. This increased the 2018 AIG budget to from \$929,830 to \$954,632.

⁴ These figures do not include encumbered or carryover amounts.

⁵ Totals as of December 31, 2018.

exempt contractors and lobbyists. All fees collected from contractors fund the AIG vendor registration account. In the last biennial budget, this fund was allocated to offset reductions from the General Fund. The AIG supports the salary of a part-time staff member from the vendor registration account, as well as the current salaries of other staff to the extent that they perform services related to contractor registrations, background checks and investigations. Finally, all bank fees associated with the online vendor registration process are likewise paid from the vendor registration account. The AIG expects to utilize funds from the vendor registration account to continue support staff costs as well as its current case management tracking system.

Based on the County's population of 1,280,122, the cost to operate the AIG in 2018 amounted to less than \$.69 per citizen per year. This does not take into account the value added by our services, which includes issuing ethical guidance to employees and elected officials, completing contractor registrations, investigating allegations of ethical misconduct or County costs/expenditures challenged by the AIG.⁶

69¢⁷

The average person spends almost 4x that amount on just one gallon of gasoline.



⁶ The AIG challenges costs/expenditures which are determined to be improper, unnecessary, unreasonable or lacking proper documentation.

⁷ According to the U.S. Energy Information Administration, the average cost of a gallon of regular gasoline in Ohio is approximately \$2.21. https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_soh_w.htm

SECTION 2: INVESTIGATIONS⁸

2.1 INVESTIGATION STATISTICS

2.2 CLOSED INVESTIGATIONS



88 Whistleblower Complaints

34 Investigations Initiated

21 Investigations Closed

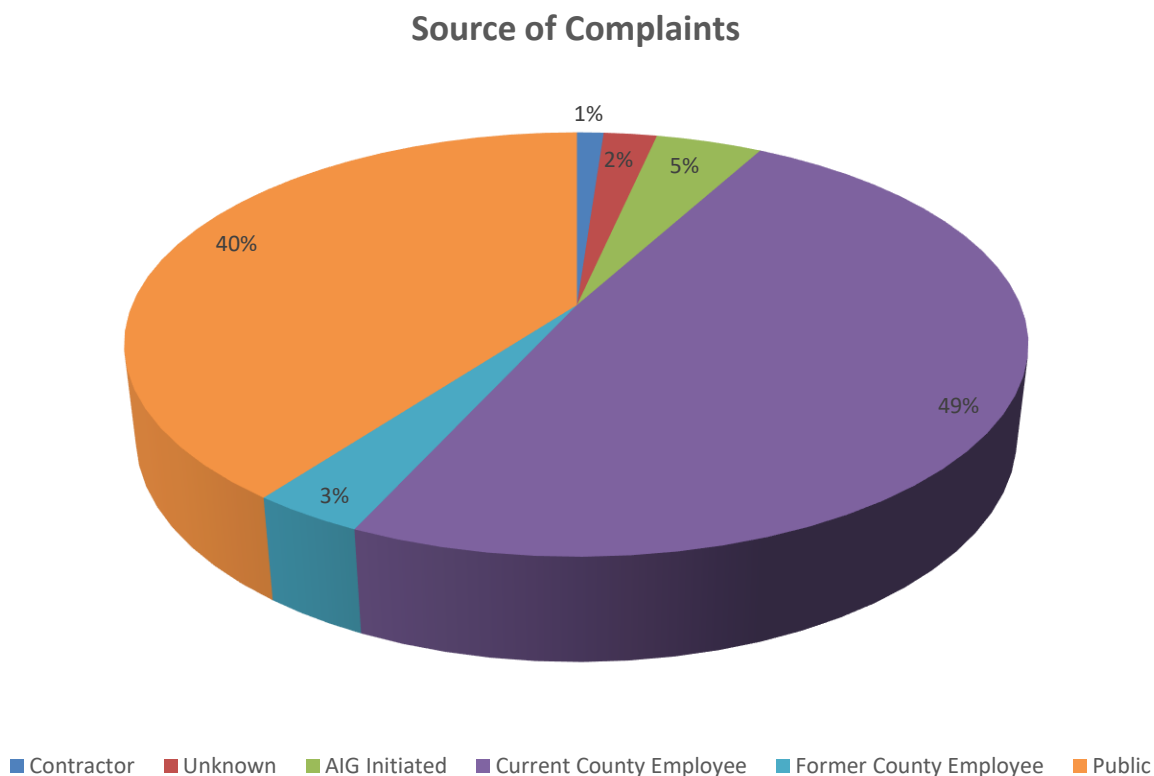
The AIG collaborated with Federal, State and County authorities regarding continuing public corruption investigations and, separately, the County Jail.

⁸ For information regarding the AIG's process of investigation, please see Appendix 2.

Section 2.1 – Investigation Statistics

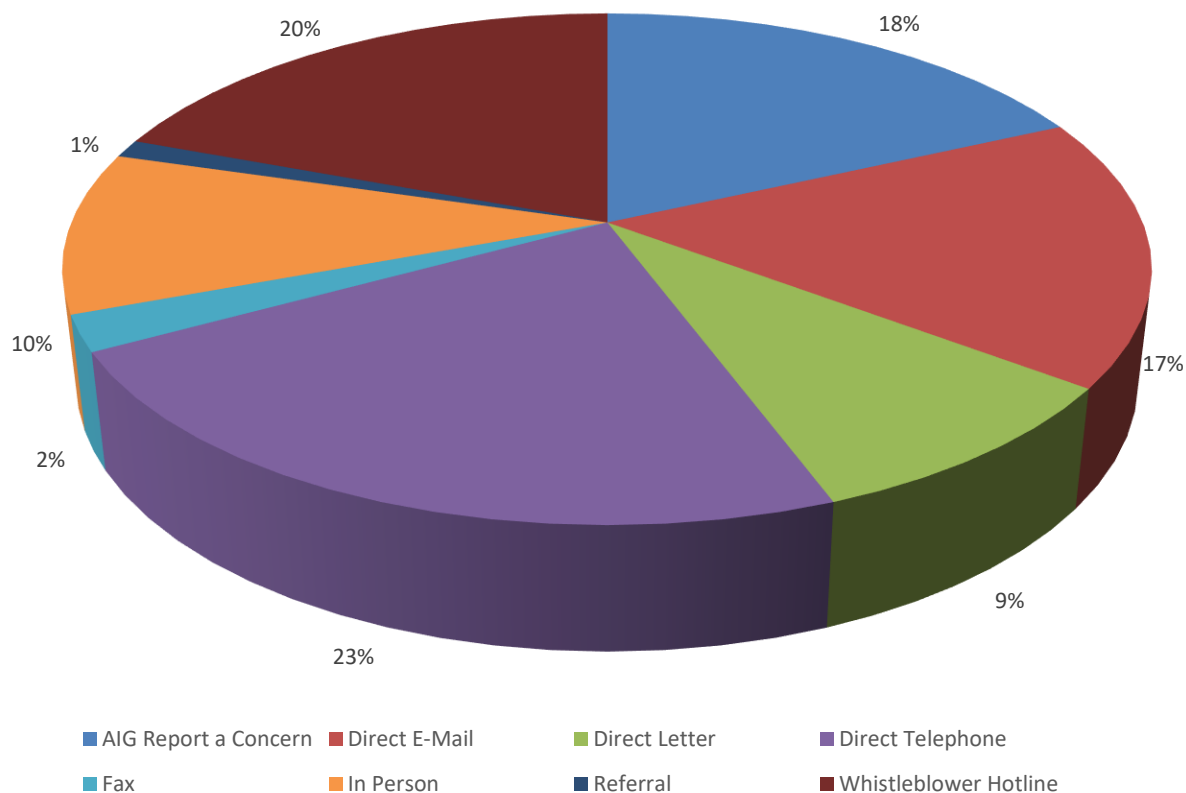
A. *Whistleblower Complaints/Referrals*

The AIG received eighty-eight (88) unique whistleblower complaints or referrals from July 1, 2018 through December 31, 2018. The following is a summary of the source of the complaints or referrals:



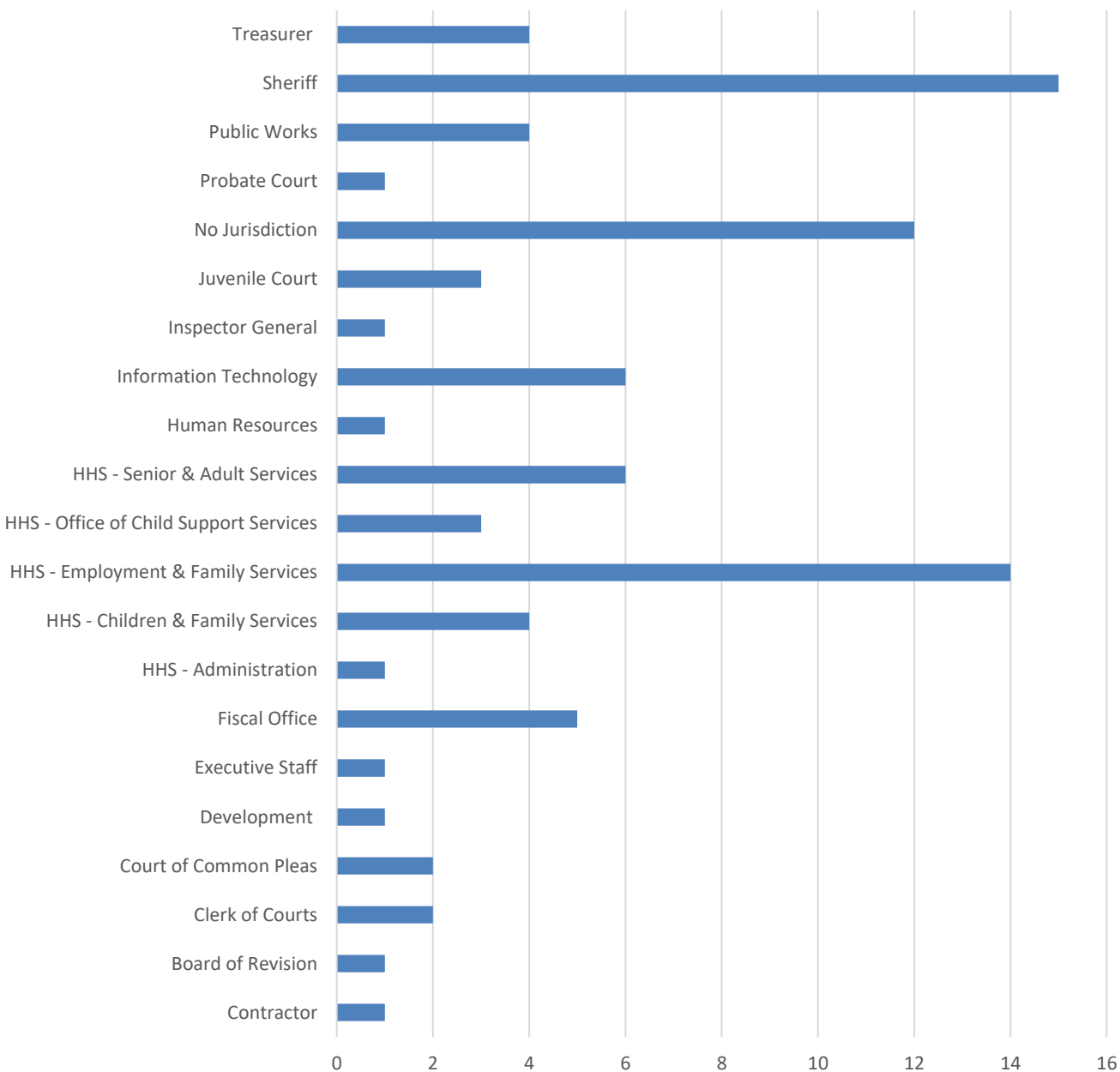
During this reporting cycle, the greatest number of complaints were submitted by current County employees, followed by complaints submitted by the public.

Method of Receipt of Complaints



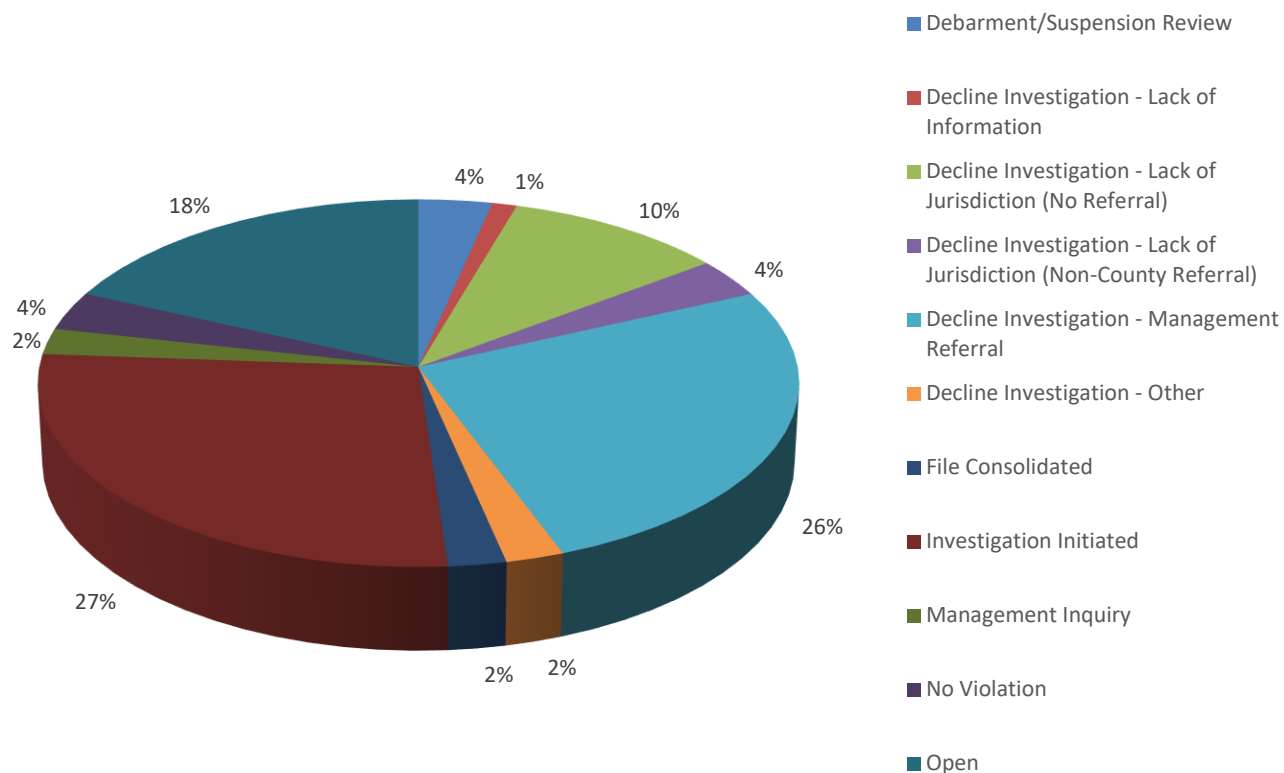
The AIG's ability to be effective is directly linked to its accessibility. During this reporting period, the most utilized method for submitting complaints to the AIG was via Direct Telephone. The second most utilized method for submitting complaints was through the Whistleblower Hotline. Finally, Direct E-Mail was the third most utilized method for submitting complaints during this reporting period.

Complaints by Department



The Sheriff's Department received the greatest number of complaints. The department with the second highest volume of complaints was Health and Human Services ("HHS") Department of Employment & Family Services ("EFS") and the third highest number of complaints were "No Jurisdiction."

Complaint Disposition

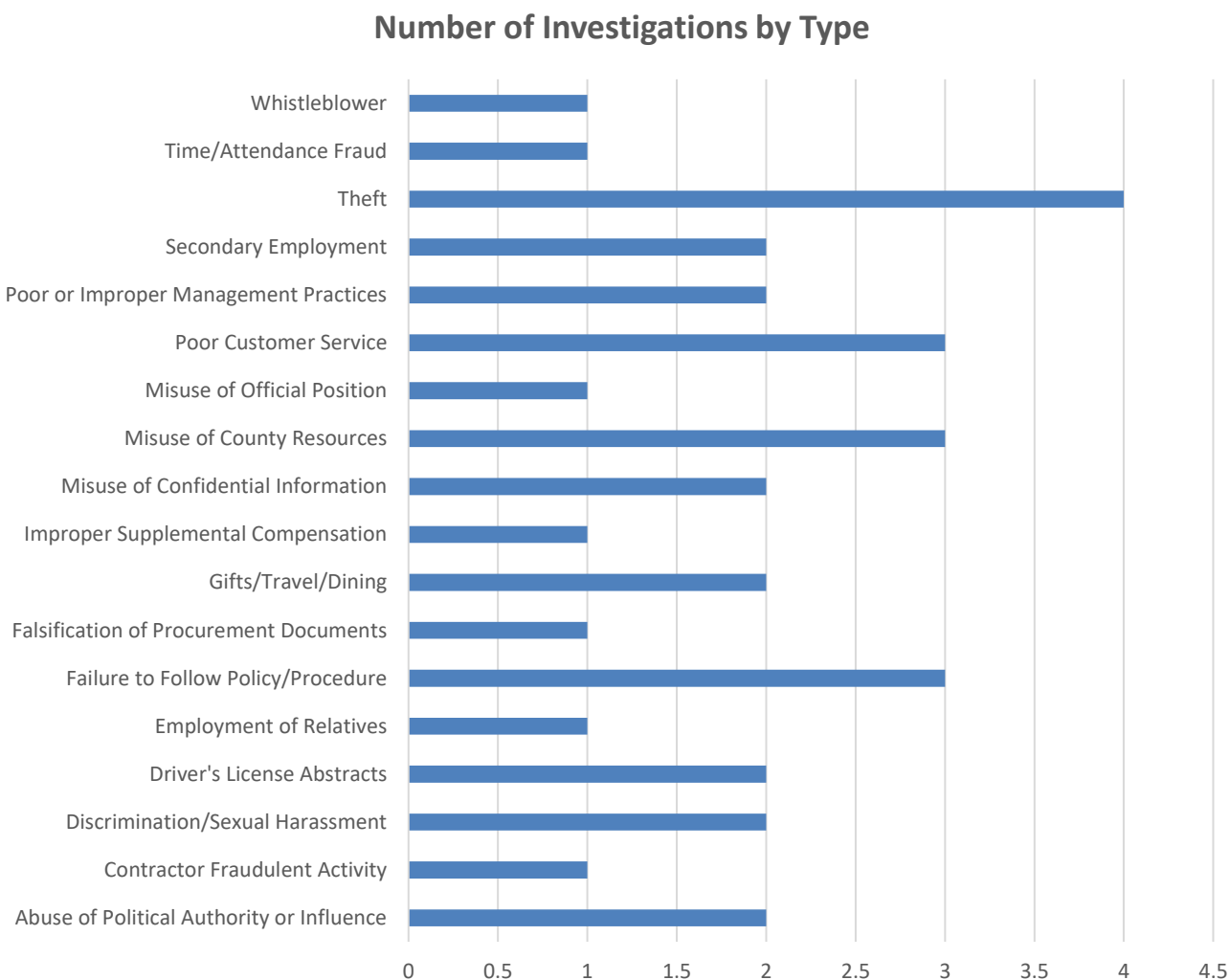


The AIG's policy is that most human resource complaints should be addressed by line-management and the County Department of Human Resources. The AIG is committed to supporting – rather than reducing – the authority of line-supervisors to manage their departments.

B. Investigations

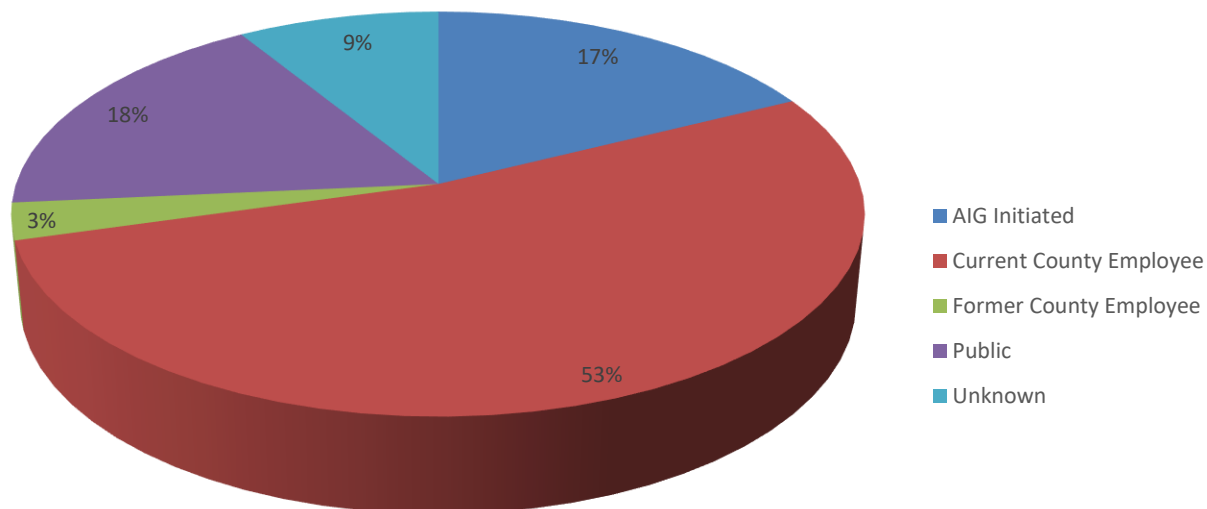
The AIG initiated thirty-four (34) investigations and reviews during this reporting period.

The following is a summary of the nature of the thirty-four (34) newly initiated investigations during this reporting period:



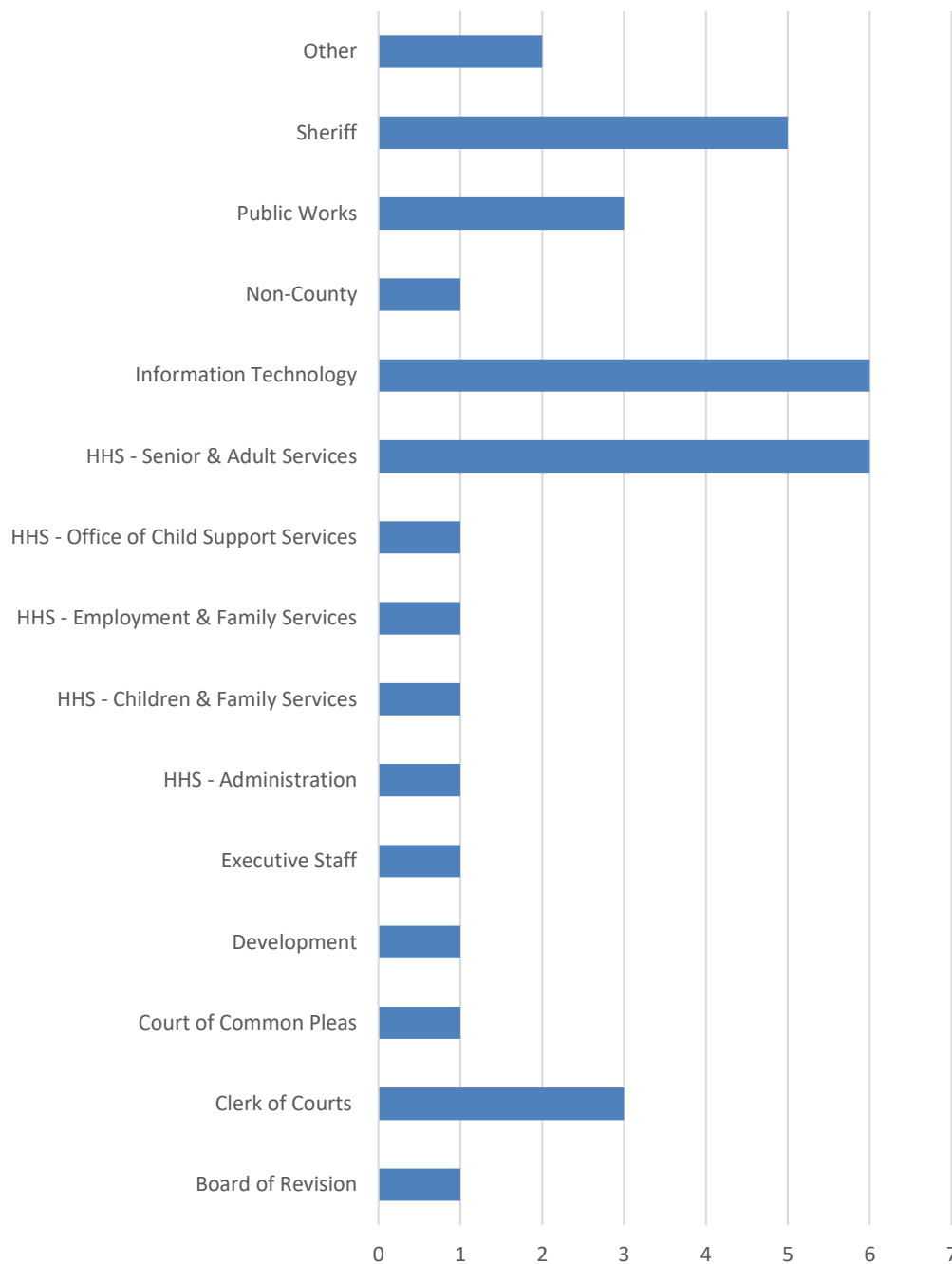
The AIG investigated a wide range of complaints during this reporting period, with Theft accounting for the highest number of complaints investigated, followed by Poor Customer Service, Misuse of County Resources and Failure to Follow Policy/Procedure.

Source of Investigations



Consistent with prior reports, investigations generated through current County employees accounted for the largest source of newly initiated investigations during the reporting period. The public and AIG initiated investigations accounted for the next largest sources.

Investigations Initiated by Department

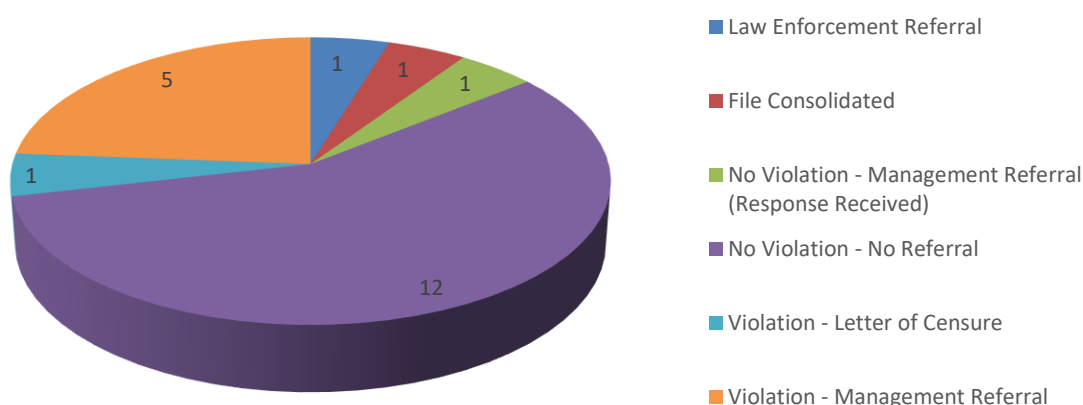


During this reporting period, Information Technology and HHS Department of Senior and Adult Services ("DSAS") had the highest number of newly initiated investigations, followed by the Sheriff's Department.

Section 2.2 – Closed Investigations

During this reporting period, the AIG issued findings on and closed twenty-one (21) investigations.

Disposition of Closed Investigations



During the last six months of 2018, the AIG made one (1) law enforcement referral. This is a slight decrease in referrals as compared to our last reporting cycle. Since 2015, the AIG has made the following investigation referrals:

AIG Law Enforcement Referrals			
2015	2016	2017	2018
1	1	9	7

Finally, the AIG has identified \$5,471,281 in challenged costs/expenditures since its inception and more recently identified \$5,272,604 challenged costs/expenditures since 2015. Furthermore, as the result of an AIG review conducted in the first half of 2018, \$1.4 million in funds were decertified. During this reporting period an additional **\$127,206** of the identified funds had been decertified which raises the total amount to **\$1,547,768**.

Representative Examples of Recent Investigations & Reviews

Discrimination (18-0050-I)

The AIG received notice that a County employee was potentially engaging in discriminatory comments and behavior in the workplace. Following requests from the Law Department and Human Resources, the AIG investigated the allegations. After interviewing eighteen witnesses and reviewing numerous documents, the AIG determined that there is sufficient evidence to indicate that the Subject likely made discriminatory comments regarding the perceived sexual orientation of two subordinate employees; and was not sufficiently compliant with the County's continuing commitment to diversity.

Effective November 15, 2018, the Subject resigned from County employment. As such, the AIG did not recommend corrective action specific to Subject. The AIG, however, recommended that the County expand its training and educational efforts to reinforce the County's commitment to supporting a Culture of Respect.

Nepotism (18-0079-I)

The AIG initiated an investigation regarding possible ethics violations by a County jail employee ("Subject 1"). Specifically, in contravention of Section 403.05 of the County Ethics Code, the AIG determined that after his promotion in 2017, Subject 1 had supervisory authority over his wife ("Subject 2") for at least one month during 2018 and signed employee evaluations for his spouse's supervisor who was wrongfully within his chain of command.

The AIG referred this matter to the Sheriff, Chief Talent Officer and County Executive for review; appropriate remedial steps, and possible discipline; and, further, requests a detailed action plan from the Sheriff and/or the Director of Regional Corrections.

Offensive Language and Conduct (18-0048-I)

Two Heinen's employees informed the AIG that a County employee ("Subject") acted unprofessionally by yelling profanities and making an offensive hand gesture towards them during an altercation that occurred at the Heinen's located near E. 9th Street and Euclid Avenue on August 8, 2018 at approximately 3:50 p.m.

Subject confirmed that she told the woman to "shut the hell up" but denied using profanity. Subject admitted that she made a comment about the male Heinen's employee "switching." Based on the context of the conversation, it appeared that

Subject used the term “switching” as a derogatory term referring to gender preference or gender orientation.

Based on the evidence reviewed and the witnesses interviewed, the AIG was of the opinion that Subject likely violated one or more Human Resources policies including but not limited to conduct unbecoming an employee of the County, harassment, discrimination or retaliation against another, intimidation or threats and/or offensive language or conduct toward another.

Therefore, the AIG recommended that the report be referred to the Director of Public Works, the Chief Talent Officer and the County Executive to conduct further review of the incident and provide appropriate disciplinary action in accordance with HR policies and procedures.

The AIG also recommended that the Director of Public Works review the opportunities for mail room staff to be engaged in productive work following the afternoon mail run.

Delinquent Property Tax Initiative

In September 2018, the AIG met with the County Treasurer, Chris Murray (“Murray”), and it was agreed that the AIG would assist with the collection of delinquent property taxes. The AIG is assisting the County Treasurer to collect delinquent property taxes by identifying the parcels with the highest amounts of delinquent property taxes and issuing notice of potential debarment to debtors if they fail to make payment or enter into a payment plan with the County.

The AIG began the process by reviewing information provided by the Treasurer to identify the parcels with the highest amounts of delinquent property taxes. The AIG then takes steps to remove all properties that filed with the State of Ohio Tax Commission for an exemption to appeal the value of the property appraisal by the County (tax valuation in dispute). The AIG was told that this process is slow and can take as long as 3 years to resolve.

AIG staff also worked with the Cuyahoga County Prosecutor's Tax Foreclosure Division (“Foreclosure”). This unit was formed to make first contact with delinquent tax payers and try to help them pay their delinquent taxes, get them on a County approved payment plan prior to the County initiating legal proceedings that could include foreclosure.

AIG staff and Foreclosure have jointly developed a process in which the AIG regularly submits small manageable lists of delinquent tax properties for review. Foreclosure reviews the information and informs the AIG if the parcel(s) is on a County approved payment plan, is in litigation, involved in bankruptcy filing, under review for a State exemption, has been foreclosed, or in the foreclosure process in the courts.

After identifying and verifying the parcels that are truly delinquent, the AIG sends a Warning Letter to the tax payer. The letter states that the tax payer is delinquent in their County Property Taxes and identifies the delinquent amount due. The letter advises the tax payer to call the County Treasurer, County Tax Administrator or the AIG to address the delinquent tax issue. If the tax payer has not contacted the AIG and the taxes are still delinquent after 30 days, the AIG begins the process of debarring the tax payer.

During the second half of 2018, the AIG reviewed delinquent parcels owing a gross total of \$15,036,612.05 in delinquent taxes. Thus far, the AIG's efforts have resulted in collection of \$812,682.02 of the delinquent property taxes reviewed. The AIG expects that this amount will increase in the future as the program develops.

Decertification of Encumbrances Status

During the first six months of 2018, the AIG initiated a review of Cuyahoga County ("County") records to determine if there were encumbered fund balances that could – or should – be decertified. County Code §701.08 permits the Office of Budget and Management ("OBM") to decertify funds that have been encumbered, but not used, on contracts that have been inactive and expired for over twelve (12) months. The AIG cross-matched financial data in order to identify contracts with encumbered balances that had not been accessed during the twelve months of calendar year 2017. Then, the AIG requested that County departments with such balances either decertify these encumbrances or explain why they should not be decertified.

As a result of the review, the AIG identified \$1.4 million in funds that have recently been decertified and has identified an additional \$4.1 million that will be further evaluated in the near future.

During the Second Half of 2018 an additional **\$127,206** of the identified funds has been decertified which raises the total amount to **\$1,547,768**.

These decertified funds are not “found” or “newly discovered” because they were never “lost” -- the County Fiscal Office was at all times aware of these encumbrances and projected as part of the County’s budget plan that such funds would be decertified on a timely basis. Thanks to the cooperation of the Fiscal Office and the Departments, these taxpayer dollars are now available to be repurposed to accomplish the important tasks of the County.

Department of Development Loans Status

The Department of Development (“DoD”) continues to make progress regarding correcting the problems of past practices. The AIG recognize the hard work, professional skill and good faith of the DoD personnel involved in this difficult task.

And yet, DoD did not achieve the promised goal of reconciling all loans by the end of 2018. The AIG believes that DoD was overly optimistic regarding the difficulty of correcting the errors that have been compounded over the last fifteen to twenty years.

Without addressing every issue and recommendation set forth over the last four years, the most salient and recent points to note are addressed below.

DoD has completed its search for, and recording of, the foundational documents for its loan portfolio. DoD deserves credit and recognition for this important progress which is essential to the eventual reconciliation of the loans. However, it also means that since June 30, 2018, many loan accounts have been “almost” or “partially reconciled”, but that very few additional loan files have been “completely reconciled.”

As of June 30, 2018, DoD had reconciled 187 out of 295 loans on file. Six months later, as of December 31, 2018, there were 196 out of 297 loans that had been reconciled. After accounting for seven (7) new loans, and the termination of old loans, this indicates that there were relatively few new loan files that were fully reconciled during the last six months.

Although DoD has set a goal of reconciling all remaining loan files by March 31, 2019, this target seems to be more aspirational than realistic. Despite the hard work of DoD, there are still more than 100 loan files that are not fully reconciled.

Because some loan files are missing important documents, it is likely that some loans will never be fully reconciled based upon the documents currently in the County's possession and knowledge.

DoD has implemented important improvements in its procedures including regular invoicing, assessment of late fees, more rigorous collection efforts, segregation of duties, regular reviews of the loan portfolio and better documentation of loans.

DoD has undertaken good faith efforts to find a third party to monitor and service the loan portfolio. However, it appears unlikely that a third party will accept this responsibility until there is a very high degree of confidence in the accuracy of the County's loan records.

Collection efforts for most loans are no longer privately-contracted, and instead, have been transferred to the County Prosecutor's Office.

DoD has not yet implemented a "hard close" on loan files as recommend by the AIG and the Auditor of State. The lack of a "hard close" on loan files is a concerning risk factor because it permits financial records to be changed retroactively.

SECTION 3: ETHICS COMPLIANCE⁹

3.1 Ethics Advisory Opinions

3.2 Ethics Disclosures



58 Ethics Advisory Opinions

238 Secondary Employment Disclosures

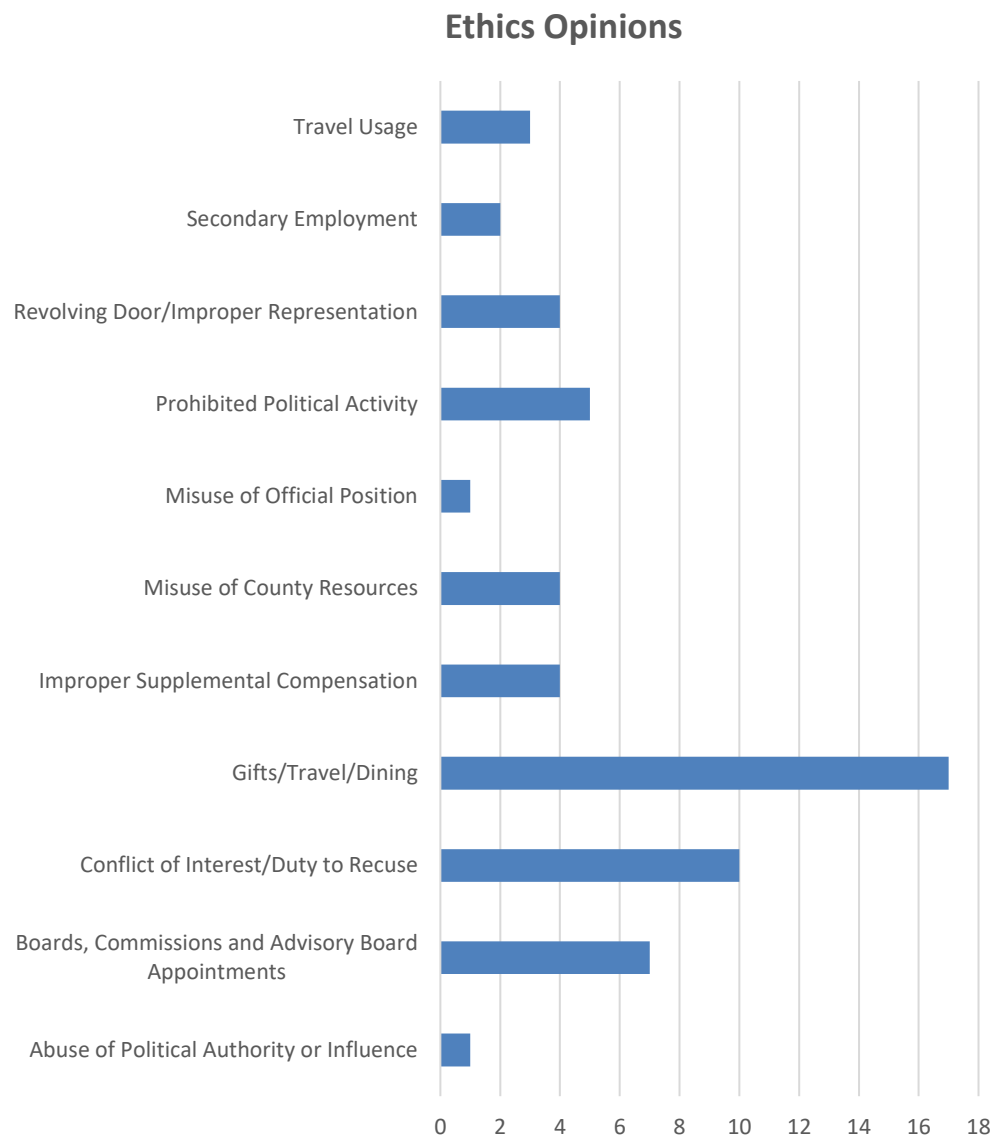
166 Nepotism/Conflicts of Interest

"The AIG addressed 224 ethics issues and potential conflicts of interest."

⁹ For additional discussion regarding Ethics and Compliance please see Appendix 3.

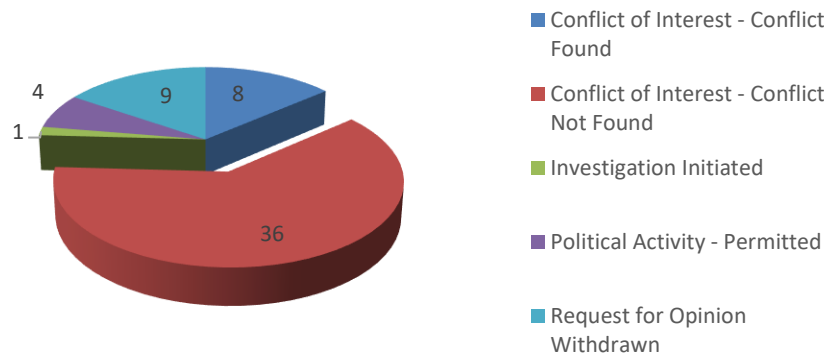
Section 3.1 – Ethics Advisory Opinions

The AIG reviewed fifty-eight (58) requests for ethics advisory opinions during this reporting period and issued Ethics Advisory Opinions regarding the following topics:



During the second half of 2018, ethics advisory opinion topics included, but were not limited to: (1) Gifts/Travel/Dining; (2) Conflicts of Interest; (3) Boards, Commissions and Advisory Board Appointments; and (4) Prohibited Political Activity.

Ethics Advisory Opinion Dispositions



Of the 58 ethics opinions requested during the last six months, the AIG determined in eight cases that there was a conflict of interest and in one matter an investigation was initiated. In nine other matters, the request was withdrawn.

Representative Examples of Recent Ethics Advisory Opinions

Gifts/Travel/Dining

(18-0100-EI) Inquiry regarding whether it is permissible for employees to purchase a group gift for a manager who is expecting a baby. Ohio law requires that public officials and employees refrain from soliciting or accepting gifts that could amount to a substantial and improper influence on that official or employee. There may be a presumption of an improper influence when gifts are given to supervisors. Therefore, employees should not give gifts to a superior - even a group gift. Supervisors have influence over subordinates that report to him or her. Thus, whether intentional or not, the gift can be perceived as causing the supervisor to give some employees preferential treatment. Gifts can be an improper *quid pro quo*, misuse of authority, or improper compensation. It also puts pressure on other co-workers who may not want to give.

Conflict of Interest/Duty to Recuse

(18-0102-EI) Inquiry from an employee regarding a potential conflict of interest between his position and that of his spouse. Employee was named as lead data person in connection with a lawsuit being brought by the county. Employee's spouse is employed by a law firm representing defendants in the lawsuit. The AIG determined that a conflict of interest exists because employee's spouse is employed by an organization interested in matters before the County. Employee was advised to

recuse himself from any participation in the lawsuit. This includes discussing, retrieving, reviewing, or analyzing data, or otherwise exercising discretion in matters related to the lawsuit.

Revolving Door/Improper Representation

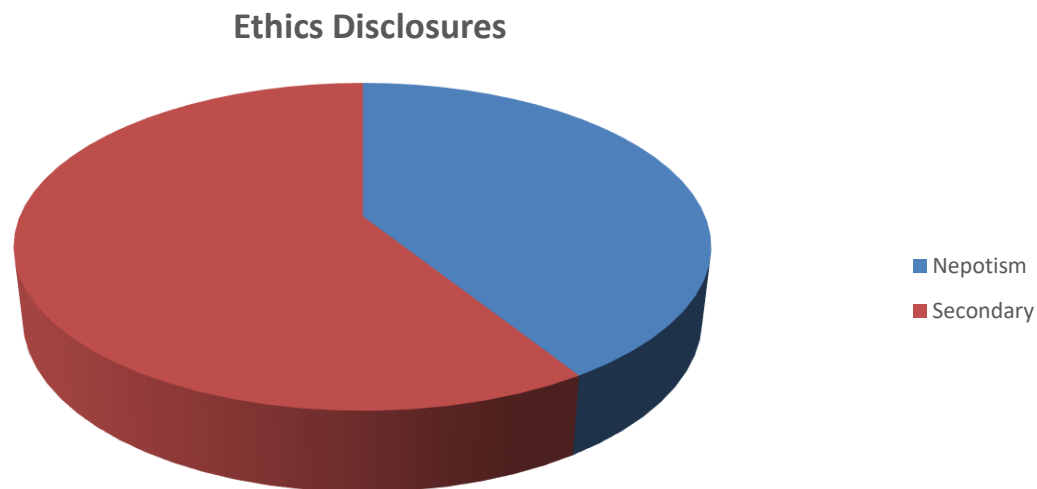
(18-0111-EI) Employee received a job offer from a County contractor who currently provides services to the County. He was concerned about any potential revolving door issues in connection with his new position. He was advised that the County Ethics Code does not prohibit him from accepting the position as he will not be working on any projects or assignments that he worked on while employed with the County. He was cautioned that for up to 12 months after County employment, he may not work on matters that he personally participated in while working for the County. In fact, should he be asked to perform tasks on matters he worked on while in County employment, he must recuse himself.

Prohibited Political Activity

(18-0128-EI) Inquiry regarding whether a Classified employee is permitted to attend Democratic or Republican party galas or luncheons. Employee was advised the County ethics code permits classified employees to voluntarily attend as individuals, but not organize, political events. Additionally, classified employees may not sell or solicit the sale of political party tickets. However, classified employees may purchase such tickets provided that the purchase does not otherwise violate the County code.

Section 3.2 – Ethics Disclosures

The AIG reviewed two hundred thirty-eight (238) inquiries regarding secondary employment and one hundred sixty-six (166) Nepotism/Conflict of Interest disclosures during this reporting cycle.



Nepotism & Conflict of Interest Disclosures

The County Code prohibits elected officials, employees, and board members from participating in decisions specifically to appoint, hire, promote, discipline, or discharge a relative for any position of the County. Elected officials, employees, and board members are not permitted to supervise a relative in the performance of the relative's official power and duties. In addition, no public official, employee, or board member shall secure any public contract in which the individual, a member of the individual's family, or any of the individual's business associates has an interest in violation of RC 2921.42.

All employees are required to disclose relatives, all private business interests and associates involved with any matter before the County to the AIG. The AIG reviewed one hundred sixty-six (166) Nepotism/Conflict of Interest disclosures this reporting cycle for potential conflicts.

Secondary Employment & Private Business Activity Disclosures

The County Code requires that all elected officials and employees disclose certain secondary employment in writing, on an official form approved by the Inspector General, to the County Department of Human Resources and that department must transmit the forms to the AIG. The AIG processed two hundred thirty-eight (238) Secondary Employment & Private Business Activity Disclosures this reporting cycle.

The AIG responds to each secondary employment disclosure by providing a response as to whether any provision of Title 4 of the County Code would prohibit the employee from engaging in the secondary employment. Secondary employment is generally permissible so long as the following conditions are met:

- Cannot use County time, resources, personnel or facilities;
- Cannot use an official title or identification in soliciting private outside employment or conducting private business activity;
- Cannot use the authority or influence of a County position to secure a public contract that benefits themselves, a family member or a business associate;
- Cannot have an interest in the profits or benefits of a public contract entered into by or for the use of the political subdivision or governmental agency or instrumentality with which the employee is connected;
- Cannot use relationships with other elected officials and employees established while performing official County duties to secure a favorable decision or action by that official or employee regarding the employee's private interests;
- Cannot participate in any official County capacity in a matter upon which the employee's private interests are dependent or contingent;
- Cannot receive fees for providing services rendered on projects that the employee has recommended in the employee's official capacity;
- Cannot participate in decisions or make recommendations regarding competitors to the employee's private business interest; and
- Cannot disclose or use confidential information obtained in the course of performing County duties.

SECTION 4: CONTRACTORS & LOBBYISTS¹⁰

- 4.1 Registration for Contractors and Lobbyists
- 4.2 Contractor Background Checks Increased Tax Collections
- 4.3 Debarment Procedures



2,190 Registered Contractors

17 Registered Lobbyists

*The AIG Precipitated Payments of an Additional **\$812,682.02** in Delinquent Taxes.*

¹⁰ For further information regarding ethics training and registration, please see Appendix 4.

Section 4.1 – Registration and Background Checks for Contractors and Lobbyists

As of December 31, 2018, there were two thousand one hundred ninety (2,190) contractors and seventeen (17) lobbyists registered with the AIG.

The contractor and lobbyist registration program continue to be the largest disclosure project undertaken by the AIG.

After recent updates to the Ethics Ordinance, which changed the registration requirements, many County Contractors who were previously registered with the AIG were not required to renew their expiring registrations.

Approximately eight hundred ninety-seven (897) registrations will expire on December 31, 2019. The online process was – and will continue to be -- instrumental in handling contractor registrations.

Section 4.2 – Contractor Background Checks Increased Tax Collections

At the request of County Executive Budish, the AIG also reviews whether contractors seeking to do business with the County – and receive payments from the County – have in fact paid any taxes owed. As a result of the contractor background screening, several contractors are now on payment plans to address delinquent County property taxes and court costs or have fully paid such costs.

During this reporting cycle, the AIG has identified an additional thirty-four thousand two hundred thirty-four dollars and fifty-nine cents **(\$34,234.59)** in uncollected delinquent property taxes and tax liens owed by contractors. To date, the AIG has been able to identify two million four hundred sixty-nine thousand eight hundred fifty-seven dollars and forty-two cents **(\$2,538,326.60)** in unpaid taxes by County contractors.

Section 4.3 – Debarment Procedures

During this reporting period, the AIG closed five (5) debarment matters with a determination not to debar the contractors. Thirty-two (32) debarment matters were initiated by the AIG.

An increase in debarment activity is the result of a new initiative focused on assisting the County Treasurer collect delinquent property taxes. The AIG is attempting to assist the County Treasurer collect delinquent property taxes by identifying the parcels with the highest amounts of delinquent property taxes and potentially debarring the debtors if they fail to make payment or enter into a payment plan with the County.

SECTION 5: OTHER AGENCY ACTIVITY

- 5.1 DRIVER'S LICENSE ABSTRACT REVIEW
- 5.2 PUBLIC RECORDS REQUESTS
- 5.3 EDUCATION AND OUTREACH
- 5.4 CONTINUING LEGAL EDUCATION
- 5.5 ETHICS UPDATES



"The AIG continued to expand its proactive education program by providing a free Continuing Legal Education seminar and expanding the new hire Ethics training program"

Section 5.1 – Driver’s License Abstract Review

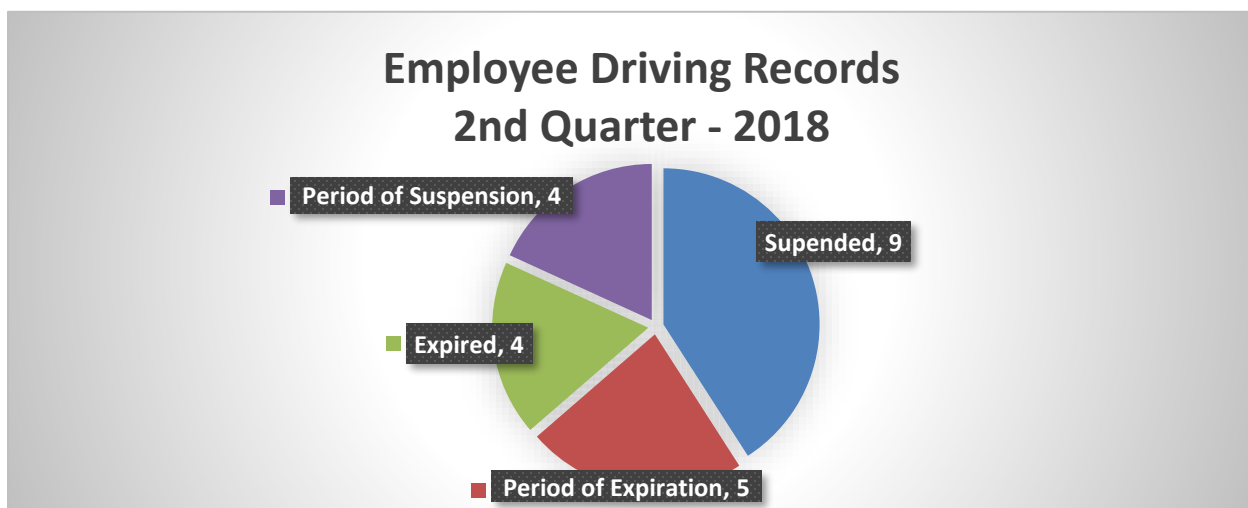
Twice a year, the AIG is required to review the state driving records of employees who are authorized to operate County owned vehicles or who drive their own vehicles in the course of County employment. The goal is to make sure that the County is not placed at risk by employees driving while their licenses are under suspension. In an effort to increase compliance and reduce County liability, the AIG began reviewing employee driving records on a quarterly basis.

As required, the AIG reviewed the Ohio Bureau of Motor Vehicles' records for the 2,166 employees who reported that they operate County owned vehicles or drive their personal vehicles for County purposes. This includes employees who requested mileage reimbursements from the County for the use of their personal vehicles.

The good news is that during the review conducted in the last six months, only approximately 1% had expired or suspended licenses.

As a result of the Driver’s License Review, the AIG identified a total of twenty-two (22) potential violations of County Policy. The employees in question either: 1) had an expired license (4 employee); 2) had suspended licenses (9 employees); 3) had licenses under suspension but were reinstated before the review was conducted (4 employees); or 4) had an expired license but renewed it prior to the review being conducted (5 employees).

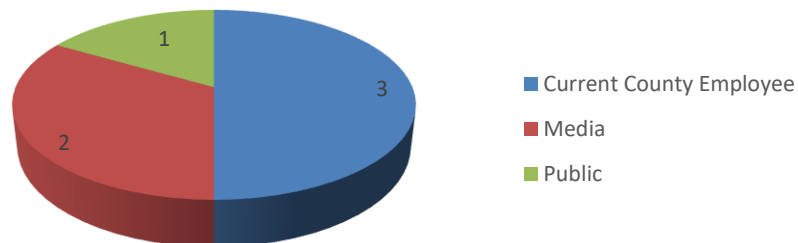
The identified employees were referred to department directors and the Department of Human Resources for further review and, if necessary, discipline.



Section 5.2 – Public Records Requests

During this reporting period, the AIG timely responded to six (6) public records requests. The AIG received three (3) requests from current County employees, two (2) requests from the media and one (1) request from the public.

Public Records Requests



Section 5.3 – Education and Outreach



A key ingredient for the AIG's success is public and employee awareness. The AIG has engaged in actions required to fortify its relationship with government leaders, stakeholders, and residents of the County regarding their concerns and informing them of the AIG's mission and services. The AIG welcomes the opportunity to meet with County officials and employees to proactively assist with issues and provide insight into the AIG's role within County government.

During the second half of 2018, at the recommendation of the Office of the County Executive, the AIG scheduled specialized ethics training for County leadership and department supervisors. In addition to the required annual training, the AIG conducted nearly two dozen trainings for over 300 employees at the request of the Office of the County Executive.

Participation in New - Employee Orientation & Training Process

In the second half of 2018, the AIG continued to conduct new hire ethics training as part of HR's onboarding process. Recognizing the need for more extensive ethics training and in an effort to bolster its culture of compliance initiative, the AIG and HR developed a second day of new hire orientation that primarily focuses on ethics. This program was developed throughout the second half of 2018 and officially rolled out in January of 2019.

Under the updated new hire ethics training model, employees return to orientation for a second day to spend approximately three hours with AIG staff learning about the various components of the County Ethics Code and how to approach ethical dilemmas if/when they arise. Employees also review and discuss a series of examples, both hypothetical and from real past situations. These trainings take place every two weeks at the County Administrative Headquarters.

Selection by U.S. State Department to Meet with International Delegation of Anti-Corruption Leaders

The U.S. Department of State selected Cuyahoga County to meet with three (3) delegations of foreign leaders and journalists as part of the State Department's International Visitor Leadership Program. The State Department brought these leaders to Cuyahoga County to learn about the Agency of Inspector General, how it was created and best practices for combating local corruption. The program was coordinated by the Cleveland Council on World Affairs.

The AIG met with the following delegations during the second half of 2018:

- **Malaysian Delegation** - "Transparency and Accountability in Government"

The Malaysian officials were here to explore the role and structure of ethics in government in the United States and explore best practices underlying transparency and accountability as examine similarities and differences in approaches to ethical conduct between government and the private sector in the U.S.

- **Latin American Delegation** - "Transparency and Accountability in Government"

The Latin American officials were here to explore the role and structure of ethics in government in the United States and explore best practices underlying transparency and accountability as examine similarities and differences in approaches to ethical conduct between government and the private sector in the U.S.

- **Vietnamese Delegation – "Anti-Money Laundering"**

The representatives from Vietnam were interested in United States laws targeting money laundering and international law and agreements on money laundering. Additionally, the program was intended to explore U.S. law enforcement efforts and the rights of criminal defendants.

AIG Externship Program

The AIG's Externship Program is a program designed to offer college and graduate students, and recent graduates practical work experience while exposing them to the mission of the AIG. The externs actively explore concepts impacting three (3) disciplines: Contractor and Lobbyist Requirements, Interviews and Investigations, and Compliance and Ethics. In the past, extern applicants expressed an interest in employment within the following disciplines: Law, Public Policy, and Business Administration. During the second half of the 2018, the AIG hosted five externs who significantly contributed to the work of the office.

- Jody Aremband – Law Student, Case Western Reserve University School of Law
- Phoenix Black – High School Student, Villa Angela - St. Joseph High School
- Timothy O'Shea – Sophomore, Case Western Reserve University
- John Timmons – Senior at Kent State University
- Saisha White – Graduate of Miami University

Section 5.4 – Continuing Legal Education

During the second half of 2018, the AIG initiated a new program to provide free continuing legal education to County attorneys. Every attorney in Ohio is required to earn continuing legal education credits on a biennial basis. These credits are often expensive and inconvenient. By offering a free program of professionalism and ethics credits, the AIG was able to save the County time and money. The AIG collaborated with the Ohio Supreme Court's Office of Disciplinary County and greatly appreciates the ability to use the County Council Chambers for the program.

Section 5.5 – Ethics Updates

As a part of the AIG's culture of compliance initiative, the AIG continued to issue regular email blasts to County officials and employees. These updates address frequently asked questions as well as matters considered to be of timely importance for County officials and employees. Ethics updates come in the form of a newsletter and include an array of topics. In the second half of 2018, the AIG released five (5) ethics updates in the following areas:

Revolving Door



Post Employment
Revolving Door
•
Update No. 2018-6

In this Advisory:

- County Code on Future Employment
- Disclosure Obligations
- Exceptions
- Confidentiality
- Examples

Political Activity



POLITICAL
ADVISORY
•
Update No. 2018- 7

In this Advisory:

- Do's and Don't's for (Un) Classified Employees
- Guidelines on Running for Elected Office
- Use of Vacation/Leave for Campaign Activity
- Ballot & Levy Issues
- Poll Worker Service

Gifts to Supervisors



How to Celebrate
Boss' Day...DON'T
•
Update No. 2018- 9

In this Advisory:

- No Such Thing as Boss' Day
- Do Not Give Gifts To Supervisors
- Supervisors Can't Solicit or Accept Gifts
- Ex: The McFaul Days

Conflicts of Interest



Recusing Yourself from
Conflicts of Interest
•
Update No. 2018-8

In this Advisory:

- What is a Conflict?
- Disclose Immediately
- Recuse Immediately from ALL Participation
- Examples

Secondary Employment



Secondary
Employment
•
Update No. 2018 - 10

In this Advisory:

- Guidelines on Disclosing Secondary Employment
- Link to Submit Secondary Employment Disclosure Form

SECTION 6: GOALS

6.1 Review of 2018 Goals

6.2 Goals for First Half 2019



Assist Law Enforcement Investigations

Hired Full Time IT Auditor & Data Analyst

Expanded Education Programs

Section 6.1 – Review of 2018 Second Half Goals

In its prior semi-annual report, the AIG set forth three (3) specific goals relating to the mission of the agency as discussed below: As discussed below, these goals were partially – but not completely -- achieved:

- 1) **Assist and Cooperate with Law Enforcement Authorities** regarding related investigations. The AIG devoted substantial resources in support of investigations by law enforcement authorities.
- 2) **Hire Full Time IT Auditor & “Big Data” Analyst.** The AIG intends to complete the hiring process for a full-time IT Auditor and a “big data” analyst. The AIG has hired the Investigative Systems Analyst and Data Analyst during the Second Half of 2018.
- 3) **Expand the AIG’s Proactive Education Programs** by reaching out to other municipal or government officials in Cuyahoga County as well as contractors and lobbyists with emailed ethics updates. Although the AIG significantly expanded its proactive education program, it has not yet included contractors and lobbyists.

Section 6.2 – Goals for First Half 2019

For the first half of 2019, the AIG intends to achieve the following goals:

- 1) **Continue to Assist and Cooperate with Law Enforcement Authorities** regarding related investigations. The AIG will continue to assist the pending investigations with any and all resources requested by law enforcement.
- 2) **Acquire “Full and Unrestricted Access” to County Documents.** The AIG will work with the Department of Information Technology and the Law Department to attain the “full and unrestricted access” to County records as set forth in County Charter Article XV, Section 15.01.
- 3) **Initiate Big Data Reviews of County Data and Data Updates.** The AIG will initiate a data driven process and will issue regular data updates on issues of importance to the County.
- 4) **Expedite Conflict of Interest Reviews for County Travel Requests.** The AIG will institute a process to quickly and efficient review and evaluate potential conflicts of interest posed by County travel requests.



A copy of this report (Cuyahoga County AIG Semi-annual Report – 1st Half 2017) has been made available for public inspection at the AIG offices and is posted on the AIG website at <http://inspectorgeneral.cuyahogacounty.us>. If you need assistance relative to this report, please contact our agency at 216-698-2101.

REPORT FRAUD, WASTE, OR ABUSE

To report alleged fraud, waste, abuse, corruption, misconduct, misfeasance, malfeasance, or nonfeasance relative to County government, use one of the following methods:

- Submit a Report a Concern complaint on the website at <http://inspectorgeneral.cuyahogacounty.us>
- Write to the Agency of Inspector General, 2079 E. 9th Street, Sixth Floor, Cleveland, Ohio 44115
- Call the Agency of Inspector General Whistleblower Hotline at 216-698-2999

APPENDIX 1: BACKGROUND AND JURISDICTION

Section 1.1 – Introduction

The County ("County") Agency of Inspector General ("AIG") was established by the Cuyahoga County Executive ("County Executive") and Cuyahoga County Council ("County Council") to protect taxpayers' interests by promoting honesty and accountability in County government. In furtherance of this mission, the AIG is granted broad authority to conduct investigations, examinations, inspections and reviews relating to fraud, corruption, waste, abuse, misfeasance, malfeasance and nonfeasance in the operations of County government. In addition, the AIG is designated as the ethics investigative officer for all issues arising under the County Code.¹¹ In this capacity, the AIG is entrusted with the responsibility of ensuring that County elected officials, employees, contractors and lobbyists who do business with the County meet the highest ethical standards.

Section 1.2 – Cuyahoga County Ethics Ordinance

The County Council enacted the permanent Ethics Ordinance in Ordinance No. O2011-0008, which was signed by the County Executive and became effective on April 8, 2011.¹² On July 12, 2013, the County Council compiled and codified the County's general and permanent laws as enacted by ordinances of the County Council as the County Code. The provisions of the Ethics Ordinance were codified in Title 4 of the County Code. On April 26, 2016, the County Council revised the County Ethics Code with an effective date of May 27, 2016. Chapter 407 of the County Code officially designates the Inspector General as the ethics investigative officer for the County and requires the Inspector General to conduct all investigations pertaining to Title 4 of the County Code. Accordingly, Section 407.01 (D) of the County Code grants the Inspector General the following enforcement authority when a violation of Title 4 of the County Code is uncovered:

- *Letter of Notification.* A Letter of Notification informs a public official or employee of his or her violation of a provision of Title 4 of the County Code. The Inspector General may issue a letter of notification when it finds that a violation

¹¹ On July 13, 2013, the County Ethics Ordinance was codified into Title 4 of the County Code.

¹² The Ethics Ordinance was subsequently amended on April 26, 2011 (O2011-0023), July 26, 2011 (O2011-0035), October 25, 2011 (O2011-0052), January 10, 2012 (O2012-0002), May 22, 2012 (O2012-0004), and November 13, 2012 (O2012-0032).

of Title 4 of the County Code was clearly unintentional or inadvertent. The letter may advise the respondent of any steps to be taken to avoid future violations.

- *Letter of Admonition.* A Letter of Admonition expresses disapproval of a public official's or employee's violation of a provision of Title 4 of the County Code. The Inspector General may issue a letter of admonition when it finds that the violation of Title 4 of the County Code was knowingly committed but is nevertheless a minor offense.
- *Letter of Censure.* A Letter of Censure condemns an employee for his or her violation of a provision of Title 4 of the County Code. The Inspector General may issue a letter of censure when the respondent intentionally or knowingly committed major violations or has committed repeated minor violations.
- *Recommendations to the County Executive, Prosecutor, and Council.* When the Inspector General finds a violation of Title 4 of the County Code was intentional or done knowingly, the Inspector General may make a recommendation to the County Executive, Prosecutor, or County Council (depending on the appointing authority), including but not limited to a recommendation for suspension, forfeiture of office or removal from office, and/or banning or temporarily suspending the respondent's (or respondent's Associated Businesses or organizations') right to solicit, bid on or obtain a contract with or from the County, as allowed by applicable law.
- *Notice to the Ohio Ethics Commission.* When the Inspector General finds that a public official or employee has recklessly or knowingly violated Ohio Provisions of Title 4 of the County Code, the Inspector General shall consult with the Ohio Ethics Commission ("OEC") to determine whether the matter should be referred to the OEC.
- *Referral to Additional Ethics Training.* Upon finding a violation of Title 4 of the County Code, the Inspector General may require the respondent undergo ethics training in addition to or in lieu of any other penalties imposed upon the respondent.
- *Referral to External Enforcement.* The Inspector General shall refer possible violation(s) of any state, federal, or local law, or rule, regulation or policy to the appropriate civil, criminal or administrative agencies charged with enforcement of said violation.

In addition to these investigatory and enforcement functions, Title 4 of the County Code requires the Inspector General perform the following disclosure/prevention functions:

- The Inspector General shall advise elected officials or employees, who in the course of carrying out his or her duties, have been offered or are discussing future employment with a business that is presently dealing with the County concerning matters within the public official or employee's current official duties, to ensure that person complies with all requirements in Title 4 of the County Code and related statutes regarding future employment and disclosure of such possible future employment.¹³
- The Inspector General shall receive allegations of non-criminal whistleblower complaints.¹⁴
- The Inspector General shall receive allegations from county elected officials and employees who by law are required to report criminal behavior in County operations to the Inspector General within five (5) days of becoming aware of the behavior.¹⁵
- The Inspector General or the Department of Law may receive and rule on conflict of interest disclosures for employees.¹⁶
- The Inspector General must review and respond to secondary employment disclosures.¹⁷
- The Inspector General must review board/commission appointments by the County for conflicts of interest.¹⁸
- The Inspector General shall obtain financial disclosure statements from certain County officials and employees.¹⁹

¹³ County Code, Section 403.09 (B), formerly Article 7, Section 16(D) of the Ethics Ordinance.

¹⁴ County Code, Section 406.01 (B), formerly Article 7, Section 17(B) of the Ethics Ordinance.

¹⁵ County Code, Section 406.01 (A), formerly Article 7, Section 18(A) of the Ethics Ordinance.

¹⁶ County Code, Section 403.04 (F), formerly Article 7, Section 23 of the Ethics Ordinance.

¹⁷ County Code, Section 403.08 (D), formerly Article 7, Section 26 of the Ethics Ordinance.

¹⁸ County Code, Section 403.04 (E) and 407.01 (L), formerly Article 7, Section 27 of the Ethics Ordinance.

- The Inspector General must create and maintain a County lobbyist registry.²⁰
- The Inspector General must create and maintain a County contractor registry.²¹

Section 1.3 – Agency of Inspector General Ordinance

On June 14, 2011, the County Council created the AIG by enacting the Agency of Inspector General Ordinance No. O2011-0019 ("AIG Ordinance").²² On July 12, 2013, the County Council compiled and codified the County's general and permanent laws as enacted by ordinances of the County Council as the County Code. The provisions of the AIG Ordinance have been codified in Title 2 of the County Code. Title 2 of the County Code creates an independent agency under the direction of the Inspector General, and also sets forth specific requirements and limitations designed to ensure that the AIG remains accountable to the public.

The AIG is authorized to conduct all examinations under Section 2.05 of the Cuyahoga Charter and does, therefore, have all such rights and duties to investigate fraud, corruption, waste, abuse, misfeasance, malfeasance, and nonfeasance without interference or pressure from any other public official or employee.²³ So long as all budgetary parameters are kept, the Inspector General is granted the ability to employ assistants and employees as shall be reasonably necessary to assist the Inspector General in carrying out the duties of the AIG.²⁴

In addition to the investigatory function, Title 2 of the County Code sets forth the following additional mandatory functions for the AIG:

- The Inspector General shall serve as the County's chief ethics officer and is charged with the responsibility of investigating and enforcing Title 4 of the

¹⁹ County Code, Sections 403.07 and 407.01(I), formerly Article 7, Sections 29 and 31 of the Ethics Ordinance.

²⁰ County Code, Section 405.01 (A), formerly Article 7, Section 32 of the Ethics Ordinance.

²¹ County Code, Section 501.19 (B), formerly Article 7, Section 34 of the Ethics Ordinance.

²² The AIG Ordinance was amended effective June 27, 2012 (Ordinance No. O2012-0008).

²³ County Code, Section 204.01 (B)(3), formerly Section 2(c) of the AIG Ordinance.

²⁴ County Code, Section 204.01 (B)(2), formerly Section 2(b) of the AIG Ordinance.

County Code in accordance with the terms of said law. In so doing, the Inspector General shall cooperate with the County's Personnel Review Commission.²⁵ The Inspector General shall not interfere with the authority of the Personnel Review Commission to ensure "compliance with ethics resolutions or ordinances as passed by the Council" under Section 9.02(3) of the Cuyahoga Charter.²⁶

- The Inspector General shall establish a "hotline" and website to receive complaints from either anonymous or identified persons, and he/she shall investigate all complaints, tips, and any other filings and submittals received by the AIG regardless of the format or forum through which such information or documents are received. Without regard to how such documents are received by the AIG, all documents prepared or received by the AIG, including, without limitation, all complaints, tips, and any other filings and submittals received by it shall be considered part of the Inspector General's investigative files.²⁷
- The Inspector General shall have the powers and rights to investigate all County contracts subject to the limitations set forth in Section 204.01 (B) (4) of the County Code.²⁸
- If an investigation reveals reasonable grounds to believe that a violation of any state, federal, or local law, rule, regulation, or policy has taken place, the Inspector General shall notify the appropriate civil, criminal, or administrative agencies in charge with enforcement of said violation. If an investigation reveals reasonable grounds to believe that a violation of a rule, regulation, or policy governing a County employee has taken place, the Inspector General shall notify the employee's appointing authority and if applicable the Department of Human Resources.²⁹
- The Inspector General shall cooperate with other governmental agencies to recover such costs from other entities involved in willful misconduct in regard to County funds and return said funds to the County's General Fund.³⁰

²⁵ The name Human Resource Commission was changed to Personnel Review Commission via a Charter change and approved by County voters in 2013, <http://hrc.cuyahogacounty.us/en-US/home.aspx>.

²⁶ County Code, Section 204.01 (B) (3) (a), formerly Section 2(c) (i) of the AIG Ordinance.

²⁷ County Code, Section 204.01 (B) (3) (b), formerly Section 2(c) (ii) of the AIG Ordinance.

²⁸ County Code, Section 204.01 (B) (3) (c), formerly Section 2(c) (iii) of the AIG Ordinance.

²⁹ County Code, Section 204.01 (B) (3) (d), formerly Section 2(c) (iv) of the AIG Ordinance.

³⁰ County Code, Section 204.01 (B) (3) (e), formerly Section 2(c) (v) of the AIG Ordinance.

- The Inspector General shall prepare and publish on its website semi-annual reports (the first of which will cover the period January 1st – June 30th and will be due in July and the second of which will cover the period July 1st – December 31st and will be due in February) concerning the work and activities of the AIG pertaining to closed investigations, including statistical information regarding the disposition of closed investigations, audits, and other reviews. The reports shall include the total number of complaints received during each reporting period, the number that required active investigation, the number that resulted in prosecution or other disciplinary actions, and the number of investigations closed, along with the cost incurred over and above the cost of salaries of AIG employees.³¹
- The Inspector General shall cooperate with the Department of Internal Auditing to avoid duplication of effort and to share information, so long as such sharing does not compromise an ongoing investigation. At the request of the Inspector General and with the approval of the Internal Auditor, the Department of Internal Auditing may provide services to the Inspector General for a specific investigation. The Inspector General shall not interfere with the authority of the Department of Internal Auditing to conduct audits pursuant to the Cuyahoga County Charter, any applicable ordinances, and any rules established by the Internal Audit Committee.³²

In conducting its duties, the AIG is required to avoid interfering in any ongoing outside criminal, civil or administrative investigation/prosecution.³³ The AIG is also required to develop internal policies and procedures that ensure an investigation subject's constitutional rights are protected.³⁴

The AIG can only be abolished upon the affirmative vote of at least eight (8) members of County Council and executed by the County Executive.³⁵

³¹ County Code, Section 204.01 (B) (3) (f), formerly Section 2(c) (vi) of the AIG Ordinance.

³² County Code, Section 204.01 (B) (4) (d), formerly Section 2(d) (iv) of the AIG Ordinance.

³³ County Code, Section 204.01 (B) (4) (a), formerly Section 2(d) (i) of the AIG Ordinance.

³⁴ County Code, Section 204.01 (B) (4) (b), formerly Section 2(d) (ii) of the AIG Ordinance.

³⁵ County Code, Section 204.01 (E), formerly Section 3(e) of the AIG Ordinance.

Section 1.4 – The Charter

On November 6, 2018, the taxpayers of Cuyahoga County voted to include the AIG in the County Charter. On December 27, 2018, Article XV, Section 15.01 became effective.

Pursuant to Section 15.01 (1), (7), and (8) of the Charter, the Inspector General has the following powers, duties and rights:

(1) Powers and Duties. The Inspector General shall serve as the County's chief ethics officer and shall direct the Agency of Inspector General. The County Executive and the County Council shall appropriate funding for the Agency's operations, fairly allocated through the regular budget process based on available resources. The Council may, by ordinance, further delineate the powers, duties, and responsibilities of the Agency of Inspector General, consistent with this Article XV.

(7) Access to County Information. The Inspector General shall have the right to obtain full and unrestricted access to all records, reports, plans, projections, matters, contracts, memoranda, correspondence, and any other materials, including electronic data, of Cuyahoga County, relevant to any inquiry or investigation undertaken pursuant to this Article XV, except as may be legally limited, such as through attorney-client privilege or provisions of the Health Insurance Portability and Accountability Act (HIPAA).

(8) Subpoena Power. The Inspector General shall have authority to subpoena witnesses, administer oaths or affirmations, take testimony and compel the production of such books, papers, records and documents, including electronic data as is deemed to be relevant to any inquiry or investigation undertaken pursuant to this Article XV.

Section 1.5 -The Cuyahoga County Debarment Law, Procedures and Review Board Ordinance

On December 11, 2012, the County Council established the County Debarment Law, Procedures and Review Board Ordinance by enacting Ordinance No. O2012-0026 ("the Debarment Law"). On July 12, 2013, the County Council compiled and codified the County's general and permanent laws as enacted by ordinances of the County Council as the County Code. The provisions of the Debarment Law were codified in Chapter 505 of the County Code. Chapter 505 of the County Code was established

to protect the County and its taxpayers and to ensure the County only engages in business with contractors³⁶ who demonstrate quality business practices and maintain the highest ethical standards. Accordingly, Chapter 505 of the County Code establishes a procedure for the AIG to debar contractors who meet certain criteria related to poor business practices or unethical behavior.³⁷ Contractors who are debarred may not submit bids, proposals, statements of qualifications or any other offers to contract with the County, and may not enter into any contract or agreement with the County during the duration of the applicable debarment period.³⁸

The AIG is responsible for debarring contractors who demonstrate poor business practices and/or unethical behavior.³⁹ The AIG may debar a contractor for 5 years for certain criminal convictions or civil judgments within the preceding 5 years anywhere in the United States. Based on certain prohibited activity, the AIG may also debar contractors for 3 years or 18 months. The AIG may also suspend contractors who are currently suspended or debarred by certain enumerated entities.⁴⁰

As a practical matter, during the debarment/suspension period, debarred/suspended contractors may not:

- 1) Submit bids, proposals, statements of qualifications or any other offers to contract with the County; or
- 2) Enter into any contract or agreement with the County; or
- 3) Serve as a subcontractor on any County contract or agreement.⁴¹

On April 28, 2015, §, County Council enacted new Debarment Rules which became effective on April 29, 2015.⁴² The new rule states the commencement date for the debarment period under the County law commences from the date of issuance of the debarment.

³⁶ Section 402.01 of the County Code defines a contractor as any person or entity that is a party to an Agreement with the County, as defined in Section 102.01(A) of the Code.

³⁷ See County Code, Sections 505.03 (A), (B), and (C).

³⁸ See County Code, Section 505.02(A).

³⁹ Codified as Chapter 505 of the County Code.

⁴⁰ County Code, Section 505.07, formerly Section 7(B) of the Debarment Law.

⁴¹ County Code, Section 505.02(A), formerly Section 2(A) of the Debarment Law.

⁴² County Ordinance 02014-0031.

Debarment Review Board

Pursuant to Chapter 505 of the County Code, a contractor may appeal the AIG's decision to debar the contractor to the Cuyahoga County Debarment Review Board. Effective June 16, 2014, County Ordinance No. O2014-0010 changed the composition of the Debarment Review Board. The County Fiscal Officer was replaced with a judge appointed by the Presiding Judge of the County Common Pleas Court.⁴³ All members of the Debarment Review Board shall serve without compensation.

Section 1.6 – The Inspector General's Jurisdiction

Responsibilities: Enforce the Ethics Code; Investigate Waste, Fraud and Abuse

Under Section 15.01 (2) of the Charter, the jurisdiction of the AIG is as follows:

To the maximum extent permitted under the Constitution of the State of Ohio and this Charter, the authority of the Agency of Inspector General to investigate possible ethical violations in the conduct of County business shall extend to any employee, official, or appointee of the County and any person or entity doing business with the County.

More specifically under the County Ethics Code, the Inspector General is authorized to investigate alleged wrongful acts or omissions committed by County elected officials and employees under the auspices of the County Executive and County Council.

Also, pursuant to County Code Section 204.01, the Inspector General's authority extends to:

- Investigate and enforce the County Ethics Ordinance in accordance with the terms of said ordinance.

⁴³ On August 8, 2014 Judge Timothy McMonagle agreed to serve as the Chair of the Debarment Review Board. On June 29, 2016, County Council amended the Debarment Review Board Ordinance to permit the County Executive to appoint and Council to confirm the chair of the Board. The chair shall be an attorney at law in good standing in the state of Ohio and shall have at least five years cumulative experience in litigation or appellate practice.

- Investigate fraud, corruption, waste, abuse, misfeasance, malfeasance, and nonfeasance by a Public Official or employee without interference;

Those individuals who contract with County agencies or otherwise do business with the County may also fall under the purview of this agency. The AIG does not become involved in private disputes, labor/management issues, or litigation. The Agency does not review or override the decision of a court or the findings of any administrative body. Likewise, the Agency has no authority to investigate allegations concerning any federal, municipal or local officials, agencies, or governing bodies.

The AIG is not an advocate for either the county agency or the complainant in any particular case. The Agency's obligation is to ensure that the investigative process is conducted fully, fairly, and impartially.

Agency of Inspector General Requirements

The Inspector General is appointed by the County Executive subject to confirmation of County Council.⁴⁴ According to Section 15.01 (4) of the Charter, the Inspector General shall be appointed by the County Executive, subject to confirmation by Council, for a term of four years. The term of the incumbent Inspector General shall expire on December 31, 2020. Each subsequent Inspector General shall be appointed or reappointed for a term commencing on January 1, 2021, and every four years thereafter. Reappointments shall be subject to Council confirmation.

Section 15.01(3) of the Charter states the Inspector General must have the following qualifications, (1) juris doctor degree from an accredited institution of higher learning; and (2) at least five years' experience as an inspector general, certified public accountant, auditor, licensed attorney, law enforcement officer, or other investigative officer involving supervisory or managerial experience.

Pursuant to Section 15.01 (5) of the Charter, the Inspector General may only be removed for cause by resolution receiving the affirmative vote of at least eight members of the Council. The Council, however, cannot vote to remove until the Inspector General has had the opportunity to be heard and to present his or her case for retention in office. Additionally, Council may enter executive session to discuss the question of removal as provided by general law so long as Council holds at least one public hearing where the Inspector General and the public have an opportunity to be heard.

⁴⁴ County Code, Section 204.01 (C)(2), formerly Section 3(b) of the AIG Ordinance.

Finally, in the event of a vacancy prior to the expiration of the Inspector General's term, the County Executive shall appoint a successor to complete the unexpired term, subject to confirmation by Council. Note, in the event a vacancy occurs less than two years prior to the expiration of the Inspector General's four-year term, the County Executive may appoint an Inspector General to complete the unexpired term and serve a subsequent four-year term, subject to confirmation by Council.

Section 1.7 – Transparency – Agency of Inspector General Website

The AIG is dedicated to increasing transparency in County government. In furtherance of this goal, the AIG website, www.inspectorgeneral.cuyahogacounty.us, was created and is continuously updated to provide the following information pertaining to AIG activity:

- A link where individuals can confidentially report fraud, waste and abuse to the AIG;
- Links to all enabling legislation and an AIG organizational chart;
- Copies of certain investigation and examination reports;⁴⁵
- The current County contractor and lobbyist registration lists;
- Debarment and Suspension details;
- Ethics compliance guidance issued by the AIG;
- Copies of all semi-annual reports issued by the AIG;
- Detailed instructions on how to complete contractor/lobbyist registration and ethics training; and
- Ethics training for contractors, lobbyist, and County employees.

⁴⁵ The AIG posts investigation/examination reports where violations of County policy or other laws have been established and the release of the report will not compromise any subsequent criminal investigation. All other reports not deemed confidential by law can be obtained by submitting a public records request to the AIG.

APPENDIX 2: INVESTIGATIONS

Investigation Procedures

Intake: How Do We Get Cases?

Tips and complaints from concerned employees and citizens provide the lifeblood of a successful inspector general agency. Accordingly, the AIG established the following mechanisms that allow potential whistleblowers to easily and discreetly file complaints:

- *AIG Whistleblower Hotline (216-698-2999)* – This number is prominently displayed on the Inspector General's website, on post cards and business cards distributed to employees and members of the public, and on posters displayed throughout all County buildings.
- *Report a Concern Messages* – An individual may report a concern by accessing the Inspector General's website at <http://inspectorgeneral.cuyahogacounty.us>. Individuals who click the "Report a Concern" link on the AIG and County Executive websites are directed to an online complaint form. Submitted forms are confidentially e-mailed directly to AIG staff.
- *Direct Phone/Mail/Walk-In* – Individuals are always permitted to directly contact AIG staff with complaints or concerns.
- *Ask Armond* – Questions or comments alleging fraud, waste or abuse submitted to the County Executive are forwarded to the AIG for review.⁴⁶
- *Referral From County Officials* – County officials are encouraged to forward any complaints regarding fraud, waste or abuse to the AIG.

Triage: What Happens To Tips and Complaints?

Matters alleging fraud, waste, abuse, and corruption within or impacting the County are considered tips or leads. Incoming tips or leads, regardless of the source, are logged into our electronic database and assigned a complaint number. Our goal is to review each tip or lead within ten (10) business days. During this review the following elements are assessed:

- *Jurisdiction* – Does the AIG have jurisdiction over the subject of the complaint?

⁴⁶ Any person wishing to submit a concern to County Executive Budish may email the County Executive by accessing the Cuyahoga County Office of the County Executive webpage at <http://executive.cuyahogacounty.us/>.

- *Sufficiency of Information* – Does the complaint present sufficient information to warrant further inquiry?
- *Source of information* – How reliable is the source of the information?
- *Nature of the alleged wrongdoing* – What is the actual negative impact of the alleged wrongdoing, if it is in fact occurring?
- *Potential for exposing systemic issues* – Does the complaint raise larger systemic issues that may need to be addressed?

Anyone may file a complaint with the AIG. At times, complaints are forwarded by other agencies or officials. Complaints may be made anonymously; however, it may be difficult to verify the information provided or ask additional questions. Therefore, we encourage complainants to provide detailed information supporting an allegation when leaving an anonymous complaint.

The AIG does not offer legal advice or opinions to complainants. In instances where it appears a complainant seeks legal assistance, or where it appears another agency is better suited to address a complainant's issue, the Agency will advise the complainant that he or she may want to consult with private legal counsel or, when possible, will direct the complainant to a more appropriate agency, organization, or resource.

After weighing each of these factors, the Agency of Inspector General issues one (1) of the following preliminary decisions on each complaint:

- *Decline Investigation for Lack of Jurisdiction* – The AIG will not investigate the allegations in the complaint because they fall outside of the jurisdiction of the AIG. When appropriate, however, the AIG will refer the complainant to the proper entity with jurisdiction to address the complaint.
- *Decline Investigation for Lack of Information* – The AIG will not initiate investigation where a complaint lacks sufficient detailed allegations of wrongdoing.
- *Decline Investigation Other* – The AIG may conduct a brief preliminary review (e.g. reviewing records, meeting with management) to evaluate the merits of a complaint. If the information obtained during this preliminary review indicates a strong likelihood that the complaint will not be substantiated, the AIG may decline to initiate a full investigation into the complaint.
- *Management Inquiry* – A management inquiry is a complaint that is forwarded to department management with a response requirement. The AIG will review

the response to determine if further investigation is warranted. The management inquiry will generally require the department to respond to the veracity of the specific allegation and to cite to any corrective action taken. A management inquiry is typically used when the allegations are specific, but minor if true.

- *Management Referrals* – A management referral is a complaint that is forwarded to department management with no response requirement. Management referrals are used when the complaint alleges behavior that is best addressed by the applicable Department or by Human Resources.
- *Initiate Investigation⁴⁷, Examinations, or Reviews* – Complaints that are assigned for investigation, examination, or review.

Investigation Determination and Dispositions

Upon completion of a full investigation, the AIG Investigator prepares a Report of Investigation which may include recommended policy or program enhancements resulting from the investigation. Final investigation reports and recommendations are submitted to the Inspector General for review and approval. The Inspector General will issue one (1) or more of the following responses on each completed investigation:

No Violation – No Referral

The investigation failed to reveal reasonable grounds to believe an individual violated any state, federal, or local law, or any policy, rule or regulation governing a County employee. In addition, the investigation failed to reveal any other systemic issue warranting intervention by County management. The resulting investigation report and/or findings are not published or referred out with the exception that an individual considered a subject of the investigation is notified in writing of the findings.

No Violation – Management Referral

The investigation failed to reveal reasonable grounds to believe an individual violated any state, federal, or local law, or any policy, rule or regulation governing a County employee. The investigation, however, revealed a systemic issue warranting intervention or consideration by County management. The resulting

⁴⁷ For purposes of this report, the term investigation includes examinations and/or reviews.

investigation report and/or findings are referred to the County Executive and the appropriate County Department Director but are not published. The AIG may request a written response from the County Executive or the applicable Department Director addressing the issue and identifying any remedial action. An individual considered a subject of the investigation is notified in writing of the findings.

***Violation –
Management Referral***

The investigation revealed reasonable grounds to believe an individual violated a policy, rule or regulation governing a County employee. The resulting investigation report and/or findings are referred to the County Executive and the Director of Human Resources for consideration of corrective and/or disciplinary action for the individual. The resulting investigation report and/or findings are published. If the investigation revealed systemic issues warranting intervention or consideration by County management, the report and/or findings may be referred to the applicable Department Director. The AIG may request a written response from the County Executive or the applicable Department Director addressing the issue and identifying any remedial action. An individual considered a subject of the investigation is notified in writing of the findings.

***Violation –
Management and Law
Enforcement Referral***

The investigation revealed reasonable grounds to believe an individual violated a policy, rule or regulation governing a County employee and a state, federal, or local law. The resulting investigation report and/or findings are referred to the County Executive and the Director of Human Resources for consideration of corrective and/or disciplinary action for the individual. In addition, the report and/or findings are referred to the appropriate law enforcement agency. The investigation report and/or findings are published unless the matter has been referred to the County Prosecutor. If the investigation revealed systemic issues warranting intervention or

consideration by County management, the report and/or findings may be referred to the applicable Department Director. The AIG may request a written response from the County Executive or the applicable Department Director addressing the issue and identifying any remedial action. An individual considered a subject of the investigation is notified in writing of the findings.

***Violation – Letters of
Notification,
Admonition or Censure***

The investigation revealed reasonable grounds to believe an individual violated a provision of Title 4 of the County Code. Previously-discussed sections of this report describe the circumstances justifying issuance of each type of letter.

***Consolidated with
Ongoing Investigation***

The subject matter of the investigation is sufficiently related to an ongoing investigation such that consolidation of the investigations is warranted.

Referred for Debarment

The investigation revealed reasonable grounds to believe the contractor violated a provision of Chapter 505 of the County Code. The investigation report and/or findings are published.

Confidentiality Agreement with HHS

Since 2013, the AIG and the County Department of Health and Human Services – Division of Employment and Family Services have cooperated via a Memorandum of Understanding whereby the AIG has undertaken the responsibility of conducting investigations on behalf of this department. Consistent with the terms of the Memorandum, any employee misconduct discovered in the course of the investigation will be reported solely to the covered department. Only the HHS Administrator and/or Director may report any misconduct to the County Department of Human Resources and the County Executive. The AIG is prohibited from disclosing the findings or results of such investigations in the semi-annual reports as such information is exempted from disclosure by RC Section 5101.27. Nonetheless, for statistical purposes only, the AIG will include a general reference to any investigation conducted pursuant to the Memorandum of Understanding.

APPENDIX 3:

ETHICS COMPLIANCE

Ethics Compliance Requirements

Introduction

Chapter 407 of the County Code officially designates the Inspector General as the ethics investigative officer for the County and requires the Inspector General to conduct all investigations pertaining to Title 4 of the County Code.

As a practical matter, the ethics-related functions performed by the AIG can be divided into four (4) broad categories:

- 1) Investigation and Enforcement;
- 2) Review and Advise;
- 3) Disclosure; and
- 4) Training.

Investigation and Enforcement

Ethics complaints undergo the same triage and investigation process as general fraud, waste, or abuse complaints. The AIG's jurisdiction to investigate ethics complaints, however, is larger than its general investigative jurisdiction.

Ethics investigations that result in a finding that Title 4 of the County Code was violated are remedied in accordance with the enforcement powers granted to the AIG by the County Code. These enforcement powers are specifically described in Section 1.3 of this report.

Review and Advise

An essential element in creating a culture of ethical behavior is to provide a mechanism for officials and employees to seek advice prior to taking a potentially unethical action. Accordingly, Title 4 of the County Code mandates certain County officials and employees seek a ruling from the AIG prior to engaging in any of the following activities:

- 1) Any activity that may constitute a conflict of interest;
- 2) Secondary employment; or
- 3) Accepting a County appointment to a board or commission.

In addition, the AIG offers specific and/or general guidance upon request on other ethics-related issues, including, but not limited to, the following:

- 1) Political activity for Classified employees;
- 2) Acceptance of gifts from contractors; or
- 3) Disclosure requirements.

Disclosure

Transparency is widely encouraged as one of the most effective means to prevent corruption in government. Accordingly, Title 4 of the County Code requires the AIG manage the following public disclosure programs:

- 1) *County Contractor Registry* – All contractors doing business with the County are required to register with the AIG. Posting of this registry is required on the AIG website.
- 2) *County Lobbyist Registry* – All individuals/entities seeking to lobby County officials or employees must register with the AIG. Posting of this registry is required on the AIG website.
- 3) *Financial Disclosure Reports* – Certain County officials and employees are required to file financial disclosure statements with the AIG. These reports are maintained by the AIG and are available for review.
- 4) *Campaign Finance Reports* – The AIG is required to obtain all campaign finance reports and financial disclosure statements for all candidates for County elected office. These reports are maintained by the AIG and are available for review.

APPENDIX 4: CONTRACTORS AND LOBBYISTS REGISTRATION

Ethics Training and Registration

Introduction

Title 4 of the County Code sets forth requirements for contractors and lobbyists doing business with the County. A contractor shall mean any person or entity that is a party to an Agreement with the County, as defined in Section 102.01(A) of the Code. Therefore, unless exempt, any person or entity that is a party to an Agreement with the County, are required to adhere to the provisions of Title 4 of the County Code.

Ethics Requirements

Although not specifically required to do so, the AIG established an online ethics training program for all County contractors and lobbyists. The training program provides attendees with specific guidance on ethical business practices and the avoidance of improper methods of soliciting business from County officials and employees. Unless exempt or conducting less than \$10,000.00 in business with the County annually, all County contractors and lobbyists are required to complete this training program as a prerequisite to conducting business with the County.

The vendor background screening system was designed to provide a timely and extensive background screening of contractors and vendors in an effort to ensure that only responsible parties and businesses are given the opportunity to provide goods and services to the County.

The AIG is responsible for debarring contractors who demonstrate poor business practices and/or unethical behavior.⁴⁸ The AIG may debar a contractor for five (5) years for certain criminal convictions or civil judgments within the preceding five (5) years anywhere in the United States. Based on certain prohibited activity, the AIG may also debar contractors for three (3) years or eighteen (18) months. The AIG may also suspend contractors who are currently suspended or debarred by certain enumerated entities.⁴⁹

As a practical matter, during the debarment/suspension period, debarred/suspended contractors may not:

- 1) Submit bids, proposals, statements of qualifications or any other offers to contract with the County; or

⁴⁸ Codified as Chapter 505 of the County Code.

⁴⁹ County Code, Section 505.07, formerly Section 7(B) of the Debarment Law.

- 2) Enter into any contract or agreement with the County; or
- 3) Serve as a subcontractor on any County contract or agreement.⁵⁰

On April 28, 2015, County Council enacted new Debarment Rules which became effective on April 29, 2015.⁵¹ The new rule states the commencement date for the debarment period under the County law commences from the date of issuance of the debarment.

⁵⁰ County Code, Section 505.02(A), formerly Section 2(A) of the Debarment Law.

⁵¹ County Ordinance 02014-0031.