

CUYAHOGA COUNTY AGENCY OF INSPECTOR GENERAL

SEMI-ANNUAL REPORT
JANUARY 1, 2022 – JUNE 30, 2022



ALEXANDRA R. BEELER
INSPECTOR GENERAL



**CUYAHOGA COUNTY
AGENCY OF INSPECTOR GENERAL**

July 21, 2022

Dear Citizens of Cuyahoga County,

It is an honor to present to you the Cuyahoga County Agency of Inspector General's ("AIG's") Semi-Annual Report for the period January 1, 2022, through June 30, 2022. I have had the privilege of serving the AIG since January 11 of this year. I am so pleased with all we have accomplished this half, and while this report highlights much of it, it does not fully capture the intensity and caliber of the work or the passion and integrity of the individuals performing it.

I am especially proud to report that we completed 52 investigations this half, far surpassing the AIG's historical semi-annual average of 23 completed investigations. We have worked efficaciously to develop processes and implement procedures to ensure we are working as effectively and efficiently as possible while delivering quality work product and operating with the highest degree of care.

In addition to improving the way we execute our statutory requirements, we developed and expanded our automated data analytics program; implemented measures to ensure the AIG is fully transparent and accountable in its reporting; continued our work with the Fishbowl Project to assist in the collection of an additional \$1,564,604 in delinquent property taxes; discovered \$592,732.24 in uncollected taxes owed by contractors; and identified \$377,992 in challenged costs and expenditures.

I look forward to our future as we continue to uphold the County Ethics Code, protect taxpayers' interests, and serve the citizens of Cuyahoga County.

Very truly yours,

A handwritten signature in purple ink that reads "Alexandra R. Beeler".

Alexandra R. Beeler
Inspector General



INSPECTOR GENERAL ALEXANDRA R. BEELER

Alexa Beeler was appointed as the Inspector General for Cuyahoga County on April 26, 2022, after serving as Interim since the beginning of the year. In this role, Ms. Beeler serves as the County's Chief Ethics Officer. She is responsible for investigating fraud, corruption, waste and abuse in the County, which has approximately 5,000 employees and a \$1.5 billion annual budget.

Ms. Beeler began her legal career as the Judicial Staff Attorney for the Honorable Judge John P. O'Donnell. She managed the Court's distinguished Commercial Docket, affording her extensive experience handling a broad array of complex cases, including those involving fraud, embezzlement, and employee claims of retaliation. Ms. Beeler then served as an Assistant Law Director in the Cuyahoga County Department of Law. She practiced in the Contracting, Procurement and Real Estate Group, where she gained a thorough knowledge of County operations and the County Code, including required County contracting procedures and best practices for full, fair, and open competition. She primarily represented the Department of Development in all its facets with a particular focus on minimizing the County's risk regarding its economic development loans.

Ms. Beeler earned her Bachelor of Science from The Ohio State University and her Juris Doctor from Cleveland-Marshall College of Law. She served as a Federal Judicial Extern for the Honorable Christopher A. Boyko and a Corporate Legal Intern for the Sherwin-Williams Company. She was intimately involved with the Ronald McDonald House of Cleveland for six years as both Chair of the House's young professionals' group and as a Member of the Board of Trustees.

Ms. Beeler is a lifelong resident of Cuyahoga County and has been a dedicated public servant to the County since she began her legal career in 2009. She is eager to continue to serve Cuyahoga County, its employees, and its residents in her new capacity and will wholeheartedly strive to raise the standard of honesty, accountability, and transparency in County government.

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SECTION 1: AGENCY OF INSPECTOR GENERAL

1.1: INTRODUCTION

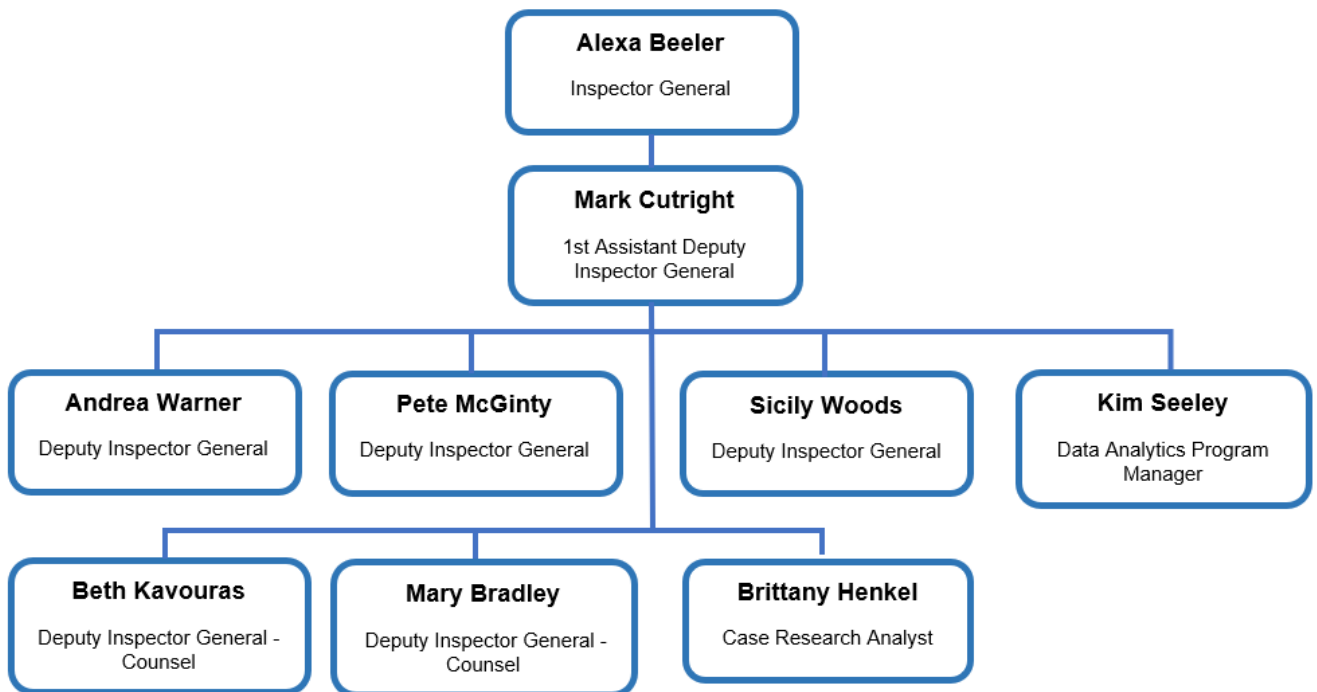
The Cuyahoga County (“County”) Agency of Inspector General (“AIG”) was established by the County Executive and County Council to protect taxpayers’ interests by promoting honesty and accountability in County government. In furtherance of this mission, the AIG is granted broad authority to conduct investigations, 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.¹ In this capacity, the AIG is entrusted with the responsibility of ensuring that County elected officials, employees, and board members, as well as lobbyists and contractors doing or seeking to do business with the County, meet the highest ethical standards.²

¹ On July 12, 2013, the County Ethics Ordinance was codified into Title 4 of the County Code.

² For additional information regarding the background and jurisdiction of the Agency of Inspector General, please see Appendix 1.

1.2: STAFF

At the conclusion of the first half of 2022, the AIG operated under the following organizational structure:



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
- Investigations
- Law
- Law Enforcement
- Business Administration
- Statistics and Analytics

The various certifications and licensures held by staff members include:

- Certified Inspector General Investigator
- Certified Inspector General Auditor
- Certified Leading Professional in Ethics & Compliance
- Python Certified Entry Level Programmer
- Certified EEO Investigator
- Two (2) Certified Fraud Examiners
- Three (3) Members of the Ohio Bar
- Certified Public Accountant
- Certified Information System Auditor
- Analytics Certified Data Analyst

Office Development: 2022 Training Focused on Topics Related to Fraud and Ethics



As part of its mission to target financial waste, fraud, and abuse, AIG staff members attended trainings on a variety of topics to enhance their skills. For instance, in this reporting period, the Inspector General, First Assistant Deputy Inspector General, along with five Deputy Inspectors General attended and participated in webinars and trainings including the following courses:

- Program Integrity in State and Local Pandemic Spending
- ACFE & IIA Fraud Day
- Online Fraud Scams-Assisting Law Enforcement with Modern Technology
- ECI Effective and Compliance and Ethics Framework
- The Ohio Ethics Law: A Deeper Study
- Cuyahoga County Leadership and Management DEI Training - Session 1
- CMMI for Security: Best Practices for Protecting Your Ecosystem
- The Ohio Ethics Law: Watching our Ethical Step!

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 AIG 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 AIG 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 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.

1.3: BUDGET

The County Executive and County Council granted the AIG a total budget of \$1,109,882 for 2022. The following is a summary of the AIG's actual budget performance through June 30, 2022:

ACCOUNTING UNIT IG100100	2022 BUDGETED AMOUNT	2022 ACTUAL SPENDING	DIFFERENCE
Personnel	1,001,028	456,848	544,180
Non-Personnel	43,634	19,444	24,191
Total	1,044,662	476,292	568,371

ACCOUNTING UNIT IG285100	2022 BUDGETED AMOUNT	2022 ACTUAL SPENDING	DIFFERENCE
Personnel	44,764	16,257	28,507
Non-Personnel	20,456	13,478	6,978
Total	65,220	29,735	35,485

TOTAL AIG BUDGET	2022 BUDGETED AMOUNT	2022 ACTUAL SPENDING	DIFFERENCE
Personnel	1,045,792	473,105	572,687
Non-Personnel	64,090	32,922	31,168
Total	1,109,882	506,027	603,855

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-exempt contractors and lobbyists. All such fees collected fund the AIG vendor registration account associated with Accounting Unit IG285100 in the above budget summary. This fund is used to pay for vendor-related costs as well as the current salaries of AIG 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 paid from the vendor registration account.

Based on the County's population of 1,264,817,³ the amount budgeted to operate the AIG in 2022 amounts to less than \$.88 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, and challenging County costs/expenditures that the AIG determines to be improper, unnecessary, unreasonable, or lacking proper documentation.

88¢⁴

The average person spends about 5x that amount on just one gallon of gasoline.



³ Based on 2020 U. S. Census Data <https://www.census.gov/quickfacts/fact/table/cuyahogacountyohio#>

⁴ According to the U.S. Energy Information Administration, the national average cost of a gallon of regular gasoline was \$4.87 on 6/26/22. <https://www.eia.gov/petroleum/gasdiesel/>

SECTION 2: WHISTLEBLOWER COMPLAINTS

2.1: WHISTLEBLOWER POLICY

On April 26, 2022, Cuyahoga County Council updated the Whistleblower Policy, found in Chapter 406 of the County Ethics Code.

The new policy defines a whistleblower as anyone who reports either a violation of County, state, or federal law, rule, or regulation, or an allegation of fraud, corruption, waste, abuse, misfeasance, and/or malfeasance, and instructs that a whistleblower complaint may either be written or verbal. The Ethics Code protects whistleblowers by prohibiting retaliatory action against whistleblowers who report in good faith and by providing a remedy for those who experience retaliatory action because of their whistleblower complaint, namely allowing those individuals to file a retaliation complaint with the Personnel Review Commission. These protections are available to all whistleblowers, regardless of how they made their whistleblower complaint.

One constant remained with the changes, and that is the **requirement** that any County elected official, employee, or board member with actual knowledge of a violation of the County Ethics Code make a whistleblower complaint. No one shall make a whistleblower complaint in bad faith, and no one shall retaliate against anyone for making a whistleblower complaint.

The new Whistleblower Policy makes reporting whistleblower complaints easier for County employees by allowing them additional avenues to make the complaint in addition to reporting to the AIG. They now may make a whistleblower complaint to a supervisor in their chain of command or to the Department of Human Resources (“HR”). If a supervisor receives a complaint, it must be reported to the AIG or HR within five days; if HR receives a complaint, either from a whistleblower or the whistleblower’s supervisor, then HR must notify the AIG within five days.

2.2: COMPLAINT 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 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* – Anyone 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/E-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.⁵
- *Referral from County Officials* – County officials are encouraged to forward any complaints regarding fraud, waste or abuse to the AIG.
- *Supervisors and the Department of Human Resources* – Pursuant to the new Whistleblower Policy, if a whistleblower complaint is received by a supervisor or HR, the complaint must be referred to the AIG.

⁵ 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/>.

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 seven (7) business days. During this review the following elements are assessed:

- *Jurisdiction* – Does the AIG have jurisdiction over the subject of the complaint?
- *Allegations* – Is the AIG the most appropriate entity to investigate the allegations, or is it a personnel matter most appropriately addressed by Human Resources or line management?
- *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 potential 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 of the following decisions on each complaint:

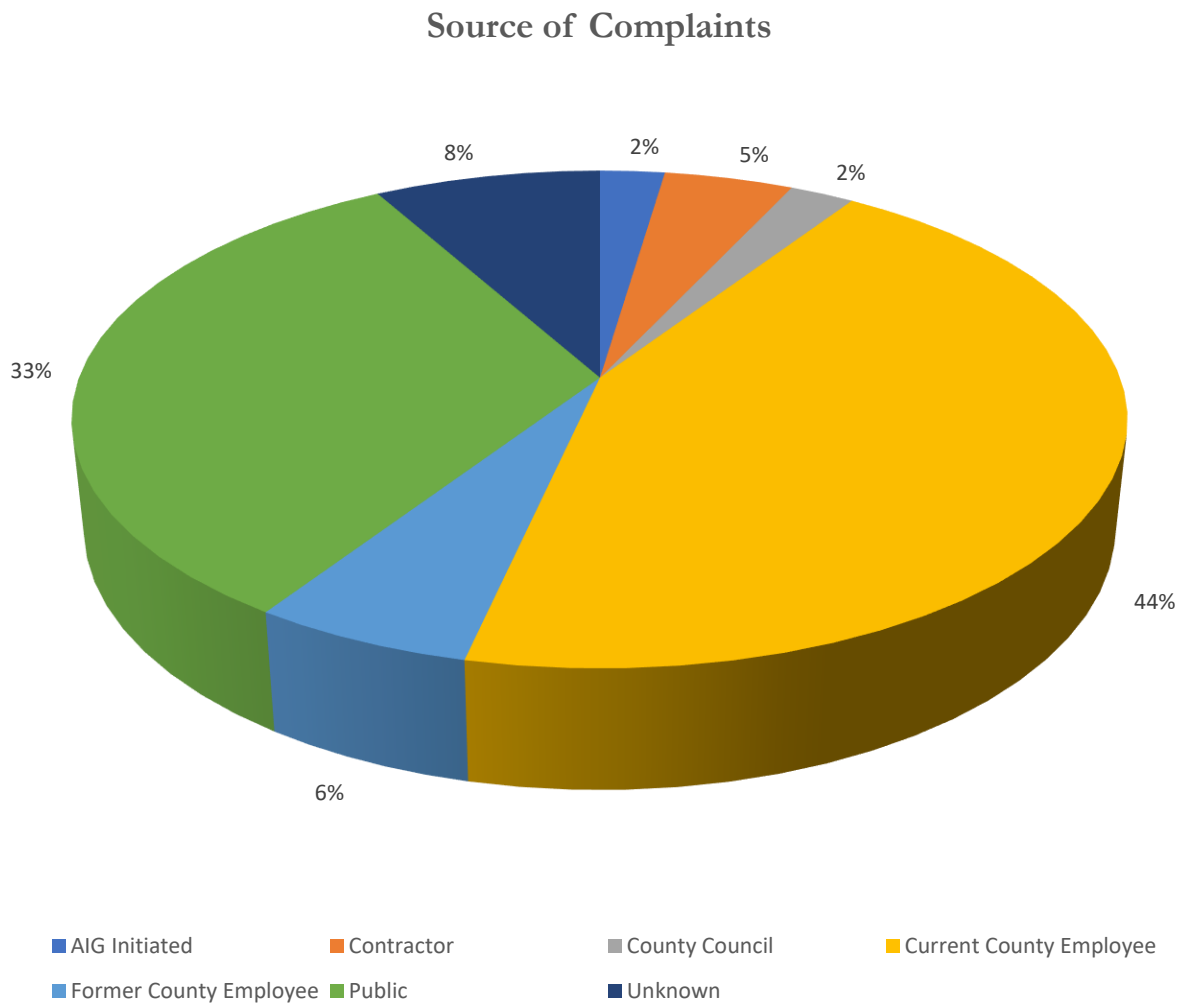
- *Decline Investigation for Lack of Jurisdiction* – The AIG will not investigate the allegations in the complaint because they fall outside of the jurisdiction of the AIG. When appropriate, the AIG will refer either the complaint or the complainant to the proper entity with jurisdiction to address the complaint.
- *Decline Investigation for Lack of Information* – The AIG will not initiate an 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.
- *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.
- *Law Enforcement Referral* – If the AIG receives information that reveals reasonable grounds to believe a violation of state or federal law has occurred, the complaint will be referred to the appropriate law enforcement agency.

- *Alternative Appeals Process Available* – The AIG will not initiate an investigation if there is a defined process in place for the complainant to follow to resolve his/her complaint. This disposition is mostly used on complaints concerning personnel matters.
- *Initiate Investigation, Examinations, or Reviews* – Complaints that are assigned to a deputy inspector general and turned into an investigation, examination, or review.⁶

⁶ For purposes of this report, the term “investigation” includes examinations and/or reviews.

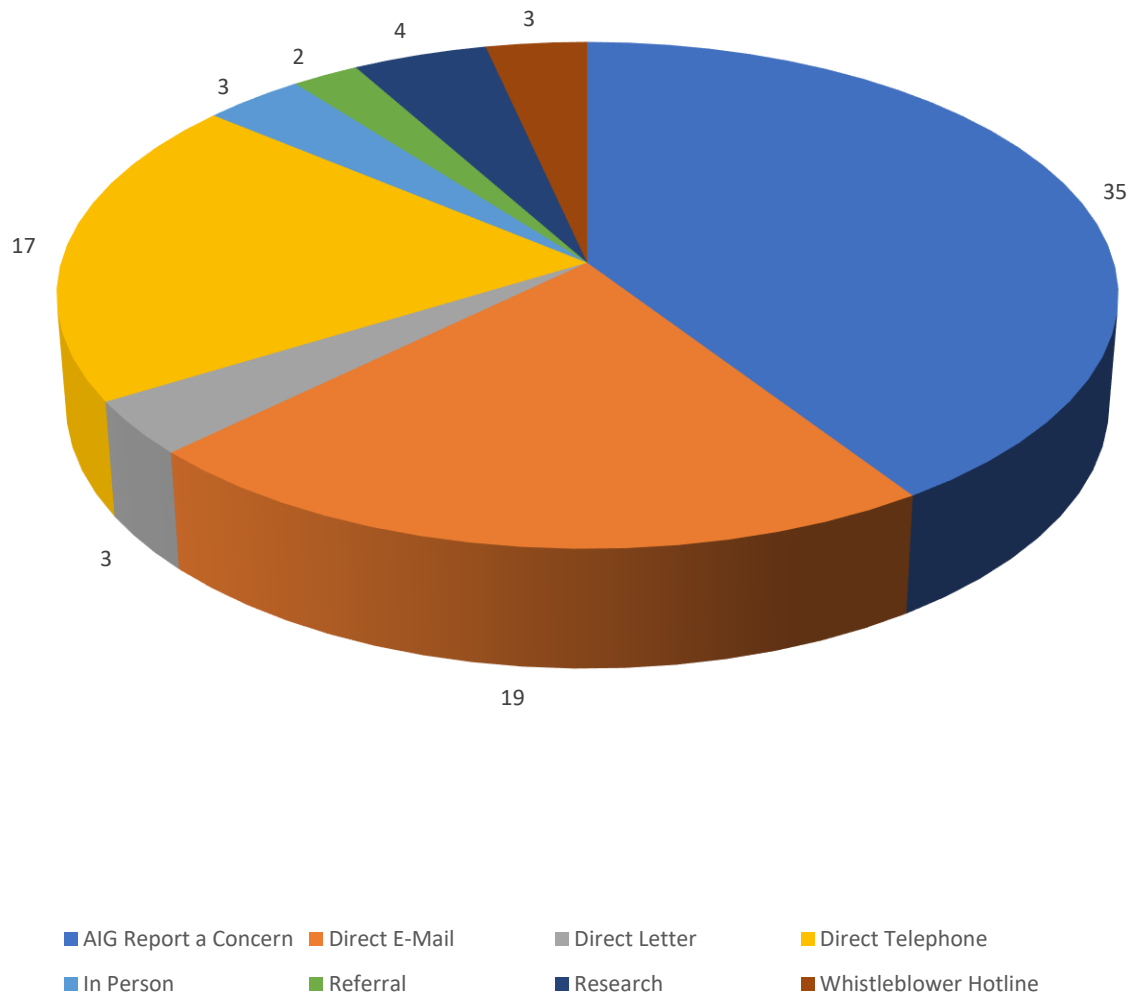
2.3: COMPLAINT STATISTICS

The AIG received eighty-six (86) unique whistleblower complaints from January 1, 2022, through June 30, 2022. The following is a summary of the source of the complaints:

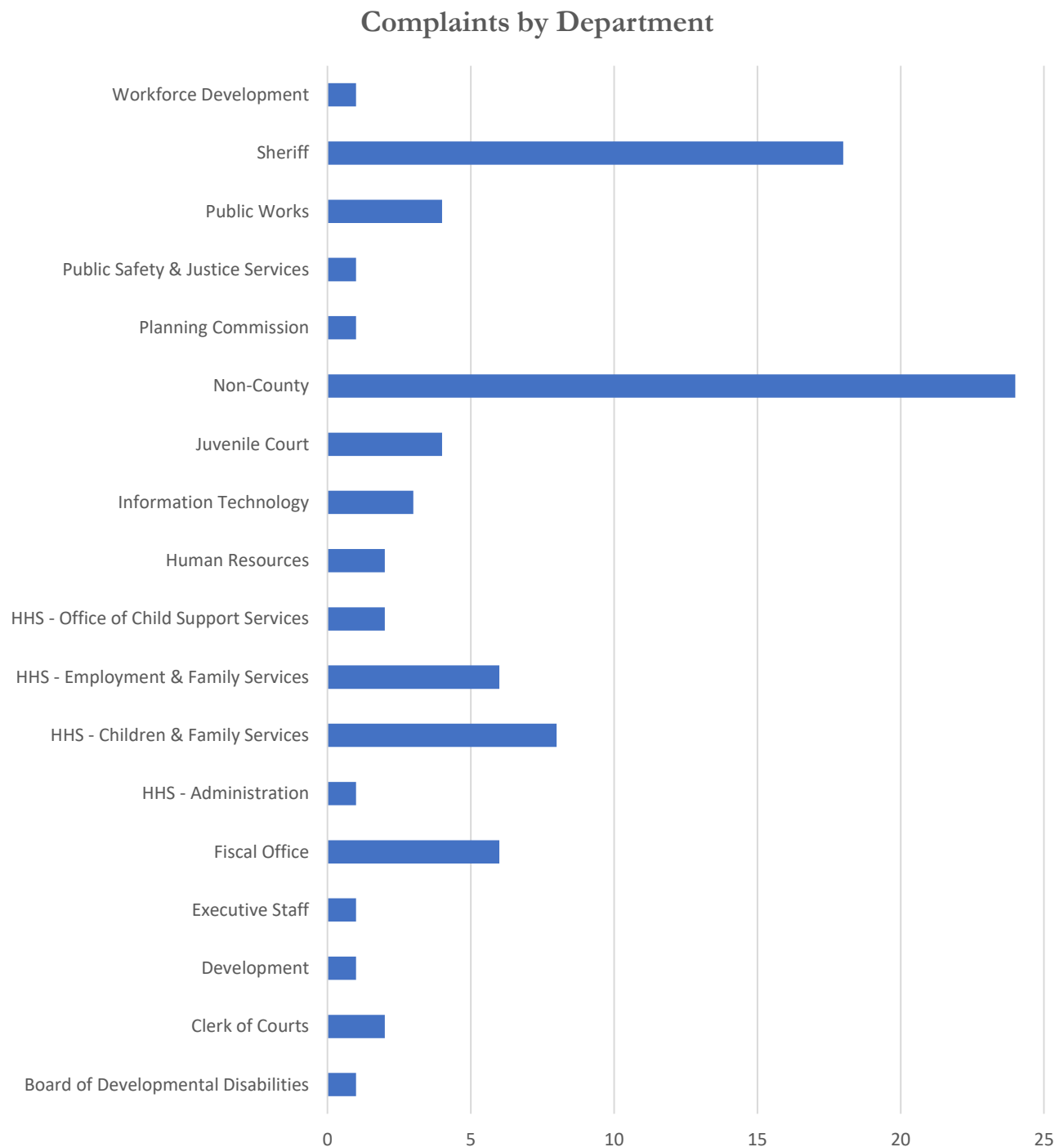


During this reporting cycle, the greatest number of complaints were submitted by current County employees, followed by complaints from members of the public.

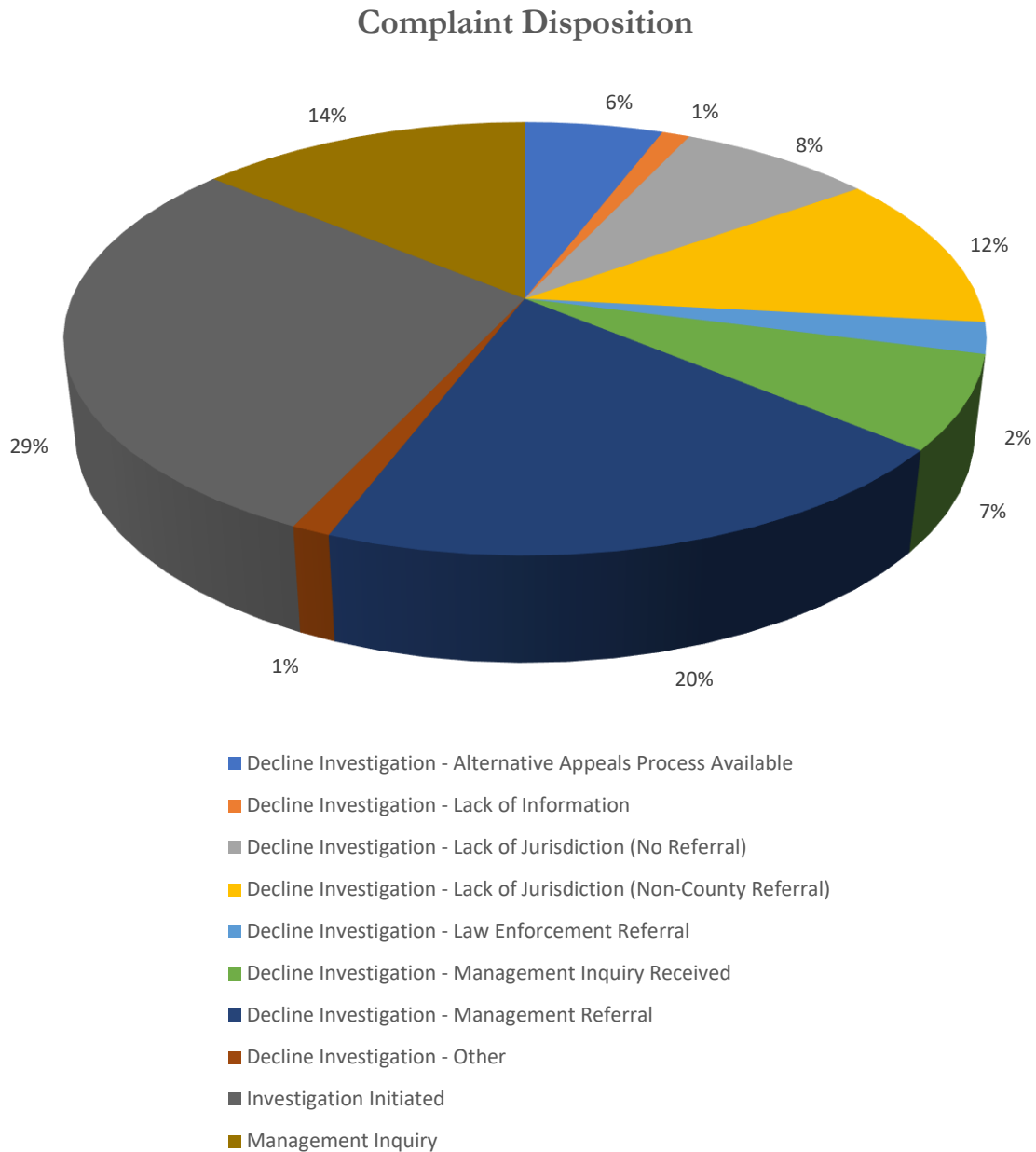
Method of Receipt of Complaints



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 the AIG Report a Concern. Direct E-Mail was the second most utilized method for submitting complaints during this reporting period.



The greatest number of complaints received were in the non-County category, which includes agencies and departments not managed by County operations. The second highest volume of complaints received were regarding the Sheriff’s Department.



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

SECTION 3: INVESTIGATIONS & DATA ANALYTICS

3.1: INVESTIGATION PROCEDURES

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 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 typically 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 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 typically 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. 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 typically 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. 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 typically notified in writing of the findings unless it would jeopardize the law enforcement investigation.

***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. A letter of notification is used to inform a public official or employee of a violation if the violation was clearly unintentional or inadvertent and advises of any steps to be taken to avoid future violations. A letter of admonition expresses disapproval of the violation and is used when the violation was knowingly committed but nevertheless is a minor offense. A letter of censure condemns an employee for the violation and is used when the respondent intentionally or knowingly committed major violations or committed repeated minor violations.

***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.

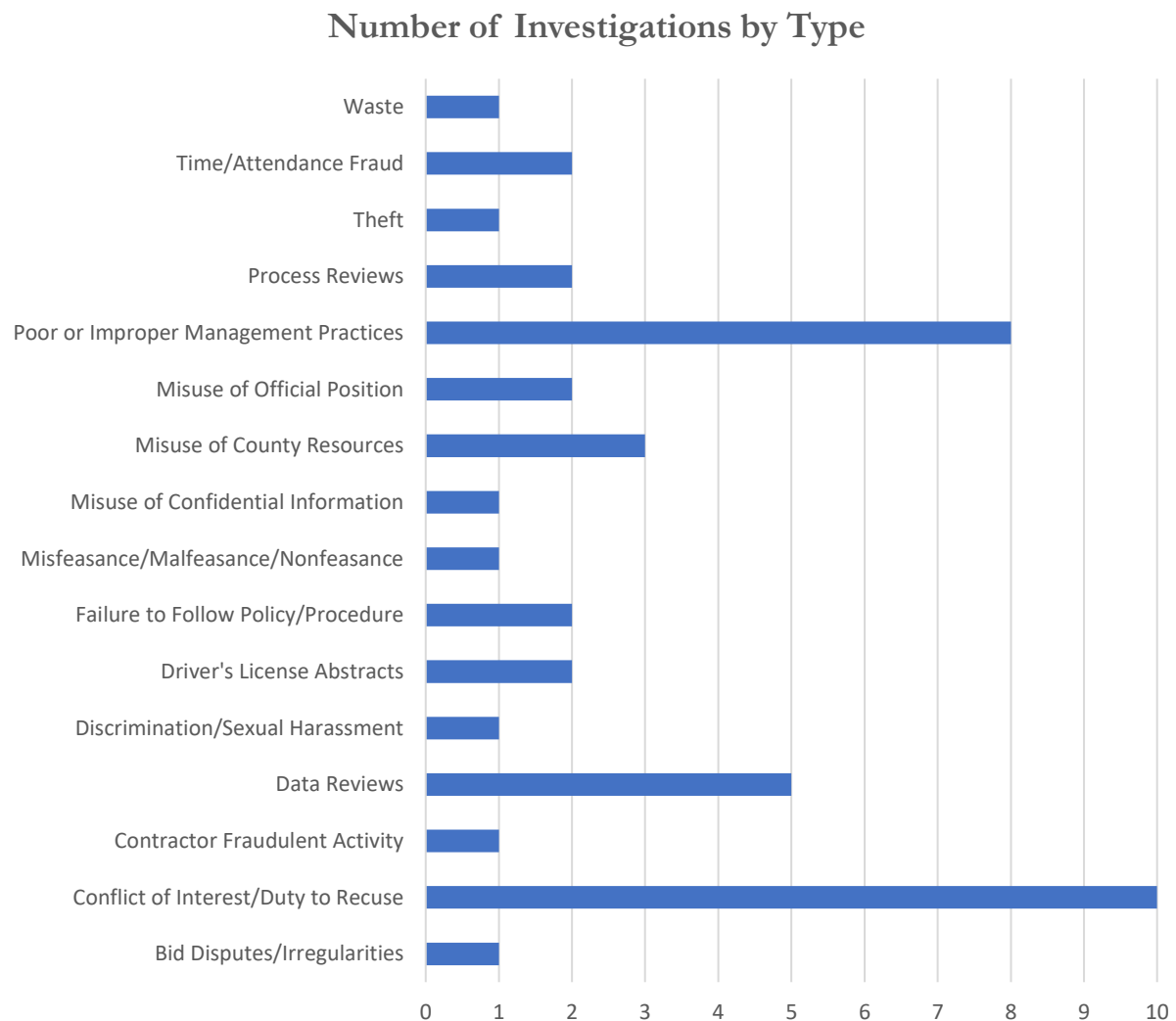
Referred for Debarment

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.

3.2: INVESTIGATIONS INITIATED

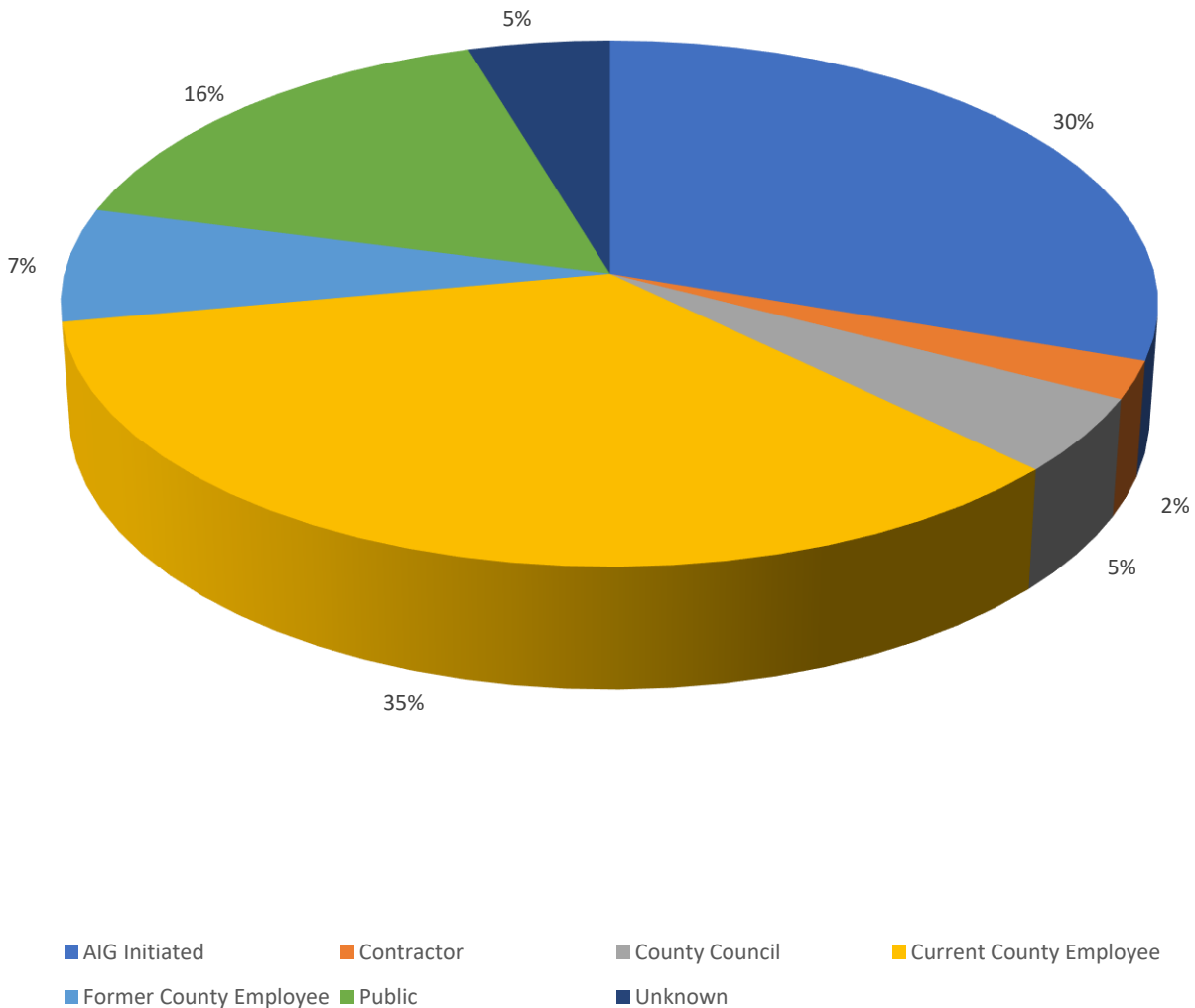
The AIG initiated forty-three (43) investigations and reviews during this reporting period.

The following is a summary of the nature of the newly initiated investigations and reviews during this reporting period:



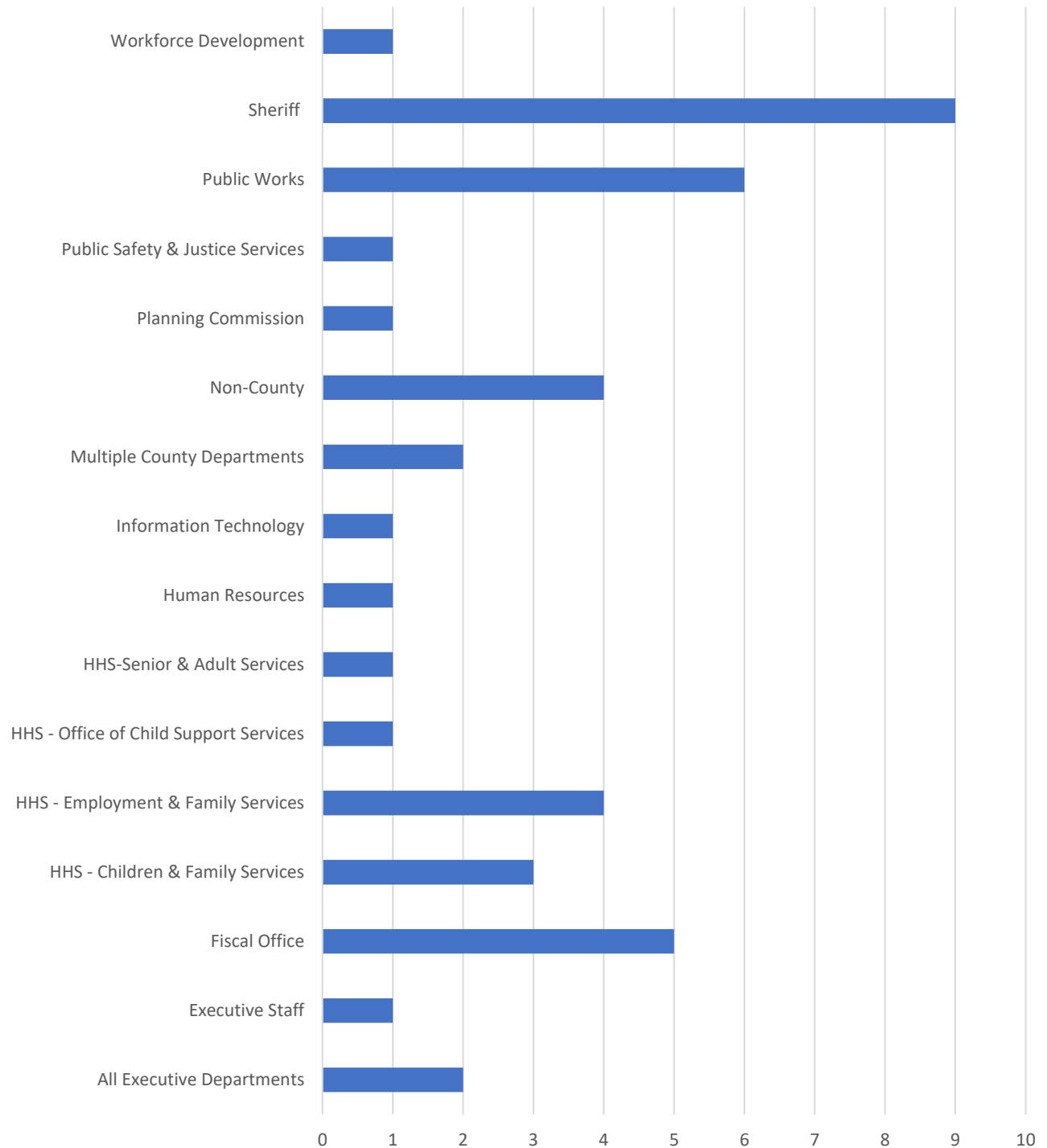
The AIG initiated investigations stemming from a wide range of complaints during this reporting period, with the Conflict of Interest/Duty to Recuse category accounting for the greatest number of investigations initiated, followed by Poor or Improper Management Practices and Data Reviews.

Source of Investigations



Current County employees were the largest source of newly initiated investigations. AIG initiated investigations were the next largest source.

Investigations Initiated by Department



During this reporting period, the highest number of newly initiated investigations were in connection with the Sheriff's Department and Public Works.

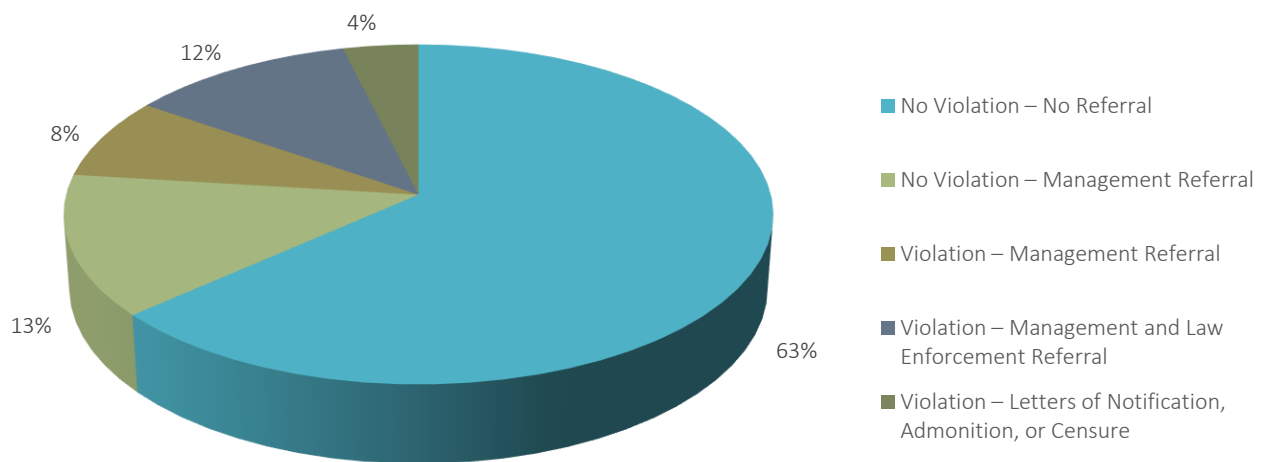
3.3: CLOSED INVESTIGATIONS

Investigation Disposition Statistics

During this reporting period, the AIG issued findings on and completed fifty-two (52) investigations. This far exceeds the AIG’s historical average of twenty-three (23) completed investigations in a half-year period.

Below is a summary of the dispositions of those fifty-two (52) completed investigations:

Disposition of Closed Investigations



Transparency and Accountability

Reporting the number of closed investigations each half does not tell the full story of how the AIG is performing. In our effort to increase transparency and accountability throughout County government, it is also important that we are fully transparent and accountable. Therefore, we have implemented new reporting measures to help gauge how we are truly performing as an agency.

One such measure we have identified is reporting the number of days it takes the AIG to complete its investigations. The number used reflects the total number of days from the date we initially receive the whistleblower complaint⁷ to the date we issue the Report of Investigation (“ROI”). This provides a comprehensive picture of how we are doing in all case stages, including how long it takes to triage the complaint and assign it to an investigator, how effectively AIG management⁸ works with the investigator to determine the scope and focus of the investigation, how efficiently the investigator conducts the investigation and prepares a draft of the ROI, and how promptly AIG management reviews and provides feedback so that the final ROI may be issued.

This half, the fifty-two (52) investigations we completed took an average of 671 days to complete, with the median being 352 days. These numbers are high due to our focused effort to work through old investigations and become current with our cases.

Another measure to increase our transparency is reporting the number and age of our open investigations. As of the last day of this reporting period, there were thirty-nine (39) open investigations. Those investigations have been open an average of 618 days, with the median days open being 261.

Challenged Costs / Expenditures

As a result of the investigations completed this half, the AIG identified **\$377,992** in challenged costs and expenditures. Since the AIG’s inception, it has identified **\$7,712,313** in challenged costs and expenditures as a result of the agency’s investigations and reviews.

⁷ If it is an AIG-initiated investigation, the start date is the date it is initiated in our case management system.

⁸ AIG management includes the First Assistant Deputy Inspector General and the Inspector General.

Representative Examples of Recent Investigations & Reviews

21-0069-I - SHERIFF'S DEPARTMENT COMMISSARY

The AIG initiated an investigation into the Commissary's inventory management processes to identify potential waste after a previous investigation into the Commissary identified donations being made in noncompliance with ORC for expired inventory items. The AIG found sufficient evidence of poor inventory management throughout all phases of inventory being procured for incarcerated inmates which has led to significant waste in Commissary operations. Highlights from the investigation include:

- Based on a physical count of 11 inventory items, an estimated \$376,204 of inventory reflected on the books was not present in the Commissary warehouse and should be written off. This write-off represents over 50% of the book value of \$625,038 in inventory at the time of the count. This write-off of inventory includes some combination of accounting errors, waste or potential theft;
- AIG staff observed an estimated \$1,788 of expired, or wasted, inventory in the warehouse unrelated to the above inventory items counted;
- AIG was unable to trace 33 vendor invoice purchases totaling \$54,852 to Commissary's inventory records in IMAC and write-offs of inventory in IMAC of \$72,277 lacked authorization for 2020. Unrecorded inventory increases the risk of theft going undetected;
- Significant IT security application control deficiencies exist for IMAC, a mission critical jail system used to record Commissary inventory;
- Significant control weaknesses exist throughout all phases of inventory management for the Commissary. Some of these include a lack of segregation of duties over some key functions, unsecured high-cost inventory, no policies and procedures for ordering, receiving, maintenance or disposition of inventory, and a lack of a complete physical inventory count being performed.

22-0029-I – CONFLICT OF INTEREST

The AIG received a complaint from a non-County employee stating that a County employee misused his position by participating in a matter where he had a conflict of interest. Specifically, it was alleged that, while acting as a member of a scoring committee for a Request for Proposals ("RFP"), the employee was actively seeking employment with a company that had an interest in the RFP award.

The investigation revealed that the employee had reason to know that his participation in the decision to award the contract while actively seeking employment from one of the companies that responded to the RFP could result in the conferral of a material benefit to the employee. Additionally, the employee did not disclose the conflict of interest, nor did he recuse himself from participation in the matter.

After reviewing the evidence gathered during this investigation, the AIG found insufficient evidence to indicate the employee leveraged his position as a County employee on the RFP scoring committee to secure employment with the company in violation of County Code Section 403.03(A). However, the AIG found sufficient evidence to indicate the employee's participation in the scoring committee while actively seeking employment with one of the participating vendors violated Sections 403.04(A), (B) and (C) of the County Ethics Code because he had reason to know that his actions could confer a direct financial or material benefit on himself and he did not disclose the conflict of interest or recuse himself from participating in the matter. There was also sufficient evidence to indicate that the same behavior was inconsistent with Ohio Revised Code 102.03(D).

21-0055-I – TRANSIENT GUEST LODGING TAX COLLECTION

The County currently has a voluntary collection agreement with Airbnb that establishes a process for Airbnb to remit lodging taxes pursuant to the Cuyahoga County Excise Tax on Lodging of Transient Guests Code of Regulations. The AIG learned that the County does not have agreements with any other short-term rental platforms.

In collaboration with the Department of Law and in an effort to further Cuyahoga County's interest in collecting its excise tax on the lodging of transient guests, the AIG reached out to several of the largest rental platforms operating in the area.

As a result of the outreach, Expedia representatives and the AIG engaged in several discussions about the possibility of Expedia entering into a voluntary collection agreement with the County. Subsequently, the AIG introduced the Expedia Group's Director of U.S. Indirect Tax to the Director of Law for Cuyahoga County to continue conversations related to Expedia and Cuyahoga County negotiating an agreement.

Additionally, the Fiscal Office Department of Transfer and Recording, in conjunction with the implementation of a new software application, has obtained an add-on that will assist with identifying undisclosed short-term rental activity.

21-0055-I – SHERIFF’S DEPARTMENT PROPERTY ROOM REVIEW

The AIG initiated a review into the Cuyahoga County Sheriff’s Department (“CCSD”) Property Room based on a request from CCSD. CCSD requested the AIG review the Property Room policies, procedures and operations to ensure that internal controls are in place and designed effectively for the unit’s operations. The AIG did not evaluate operations for a specific timeframe but reviewed internal controls in place during the time of the review based on criteria from state agencies and a national standard setting body for IT controls. The review did not include the operating effectiveness of these controls. Throughout the review AIG identified control gaps in the below areas with some examples listed:

- *Incomplete policies and procedures*
 - Need to incorporate ongoing staff training in policies and procedures and develop and incorporate a records retention schedule with their policies and procedures.
- *Personnel practices*
 - Require updated background checks, drug screenings and financial background checks prior to commencement of employment with the unit. Institute a policy of mandatory annual vacation time to identify potential theft.
- *Securing and monitoring items maintained in inventory*
 - Cameras should be installed in all property room locations and physical security should be enhanced by including magnetic keycard access for all access points in lieu of other types of locking mechanisms.
 - A full annual physical inventory and periodic random audits should be performed to ensure all impounded items are present and accounted for.
 - All pharmacy drug pickups should be performed by two members of the unit, or another compensating control implemented.
- *Cash management*
 - Job responsibilities should be segregated for the bank reconciliation process from other cash management duties such as the issuance of checks, and the bank reconciliation should be compared to the source system.
 - The cash vault should require two keys to deposit or withdraw cash for dual control.
- *IT security practices*
 - Software application password policies and other security policies should be implemented. Annually the user accounts should be reviewed to ensure only staff members that have access to the application are active.

3.4: AUTOMATED DATA ANALYTICS PROGRAM

Program Overview

The AIG initiated a pilot data analytics program in the second half of 2021. This automated data analytics program was expanded in the first half of 2022 and encompasses the below groupings of analytics.

- AIG Contractor Compliance
- Conflict of Interest Monitoring
- Contractor Spending Analytics
- Employee Payroll Analytics



By the end of the first half of 2022 the first three analytics were developed and run, and the initial results were all being evaluated and investigated as needed. Data was obtained for the employee payroll analytics and its development is mostly complete. Some of the preliminary results from the employee payroll analytics have already supported the decision to investigate complaints received further.

After the initial development and implementation of this program, the AIG plans to run these analytics based on the below schedule that best fits the datasets being analyzed.

AIG Contractor Compliance	Conflict of Interest Monitoring	Contractor Spending Analytics	Employee Payroll Analytics
Annually - Contractor must spend > \$10,000 annually to hit criteria	Semi-Annually - no aggregation of transaction for year-end interval	Semi-Annually - aggregate annual spending review for year-end interval	Semi-Annually - aggregate annual spending review for year-end interval

The AIG created a new role in the first half of 2022, Data Analytics Program Manager, to manage the development and implementation of the program as well as to oversee the results generated and the data-related investigations. This program is a priority as it will assist in the identification and investigation of transactions that are not in compliance with County Code sections applicable to the AIG's area of responsibility, as well as transactions that might represent fraud, waste, or abuse.

More detail on the status of these individual analytics can be found below. Further areas for analysis may be developed as needed based on their potential for fraud, waste, or abuse and availability of staff resources.

AIG Contractor Compliance

The AIG established a data analytics program to ensure that contractors who do more than \$10,000 in business with the County annually are properly registered as required by County Code. Contractor registration is vital in ensuring the County only does business with quality and law-abiding contractors. As part of registration, contractors undergo ethics training and must pass a quiz. Additionally, each time a contractor registers with the AIG, the AIG performs a comprehensive background check on both the contractor and its principals.

The contractor compliance analytics used the County's Infor Lawson financial data records to identify contractors with spending in excess of \$10,000 per year. Contractors with spending over \$10,000 were compared to the AIG's CMTS Contractor Registration records. This automated process will allow the AIG to regularly review County records in an effort to identify contractors who are not properly registered with the AIG.

The first run identified over two hundred contractors whose aggregate spending for 2020 was in excess of the \$10,000 threshold who are not registered with the AIG. The AIG then sent a mailing to all unregistered contractors to explain the registration requirement and the possibility of debarment if there is continued noncompliance. As of the end of the reporting period:

- 18 of those contractors subsequently registered with the AIG;
- 11 provided evidence that they were exempt from registration and will be excluded from the review of future results;
- 25 results were due to minor discrepancies between Infor and AIG records which will be corrected before future runs; and
- 185 contractors will be mailed final notices in July 2022 and will be at risk for possible debarment if they fail to respond or comply.

Conflict of Interest Monitoring



The AIG established a data analytics program to identify potential violations of County Code Sections 403.03(A), 403.03(B) and 403.03(C) and to better identify gaps in the reporting, recusal and removal from the decision-making process when conflicts of interest exist. Data analytics software, Caseware IDEA, was utilized to develop and automate the comparison of records from the County’s financial records, HRIS records and the AIG’s CMTS Contractor Registration records. This automated process will allow the AIG to regularly review County records in an effort to identify potential conflicts of interest as defined in the County Code.

Over one hundred potential conflicts of interest were identified in the first run of this automated data analytics program. In order to focus on the highest risk contractors, the AIG reviewed any potential conflict of interest where the total spending associated with the vendor record totaled more than \$500 during the period under review.

Six (6) investigations were initiated as a result of this run. Additionally, the AIG identified that ninety-one (91) vendors were misclassified in Infor as regular vendors when they should have been classified as employee vendors. This caused false positives; however, the AIG notified the Fiscal Office about these misclassifications, and it is our understanding the records have been updated so that these false positives do not happen in the future.

Contractor Spending Analytics

The AIG established a data analytics program into possible fraud, waste, or abuse in the County’s payment cycle. Cuyahoga County Code Section 204(B)(3) provides the AIG with investigative powers and duties for investigating fraud, waste and abuse without interference or pressure from any public official or employee.

An automated data analytic program was developed to inspect the County’s Infor Lawson financial data for both Accounts Payable and Cashbook payments and the relevant Vendor records. This automated program included multiple individual analytics with numerous steps performed, including importing data, converting records, analyzing records, and reporting on

results for further research. By automating the program, future investigations of County payment records will be streamlined.

This program was used to automate the analysis of over 97,000 unique payment records in excess of \$3,000,000,000 issued by the County in 2020 to identify unusual transactions within the entire population of payments. Utilizing standard duplicate payment matches in addition to fuzzy matches, the AIG has already identified multiple duplicate payments totaling over \$50,000. The AIG is currently investigating the cause of these duplicate payments and whether the funds have been recovered, as well as the results from other tests performed on the data.



Employee Payroll Analytics

The AIG is in the process of developing a data analytics program into possible fraud, waste, or abuse in the County's employee payroll cycle.

Below are examples of the criteria being analyzed for the employee payroll cycle to aid in the AIG's identification and investigation of unusual payroll activity:

- Unusual number of employee pay checks in a specified period
- Summarization of overtime and other payments for potential unreasonable amounts of supplemental pay (this has already been used to aid in the investigations of two employees with excessive overtime)
- Unusual payment activity and other changes associated with key payroll records

SECTION 4: ETHICS

4.1: ETHICS COMPLIANCE REQUIREMENTS

The Cuyahoga County Charter and Code designate the Inspector General as the chief ethics officer for Cuyahoga County. As part of this role, the AIG receives whistleblower complaints alleging violations of the County Ethics Code and conducts investigations of possible ethics violations, both discussed above in Sections 2 and 3, respectively. Both complaints and investigations concern allegations of conduct that has already occurred.

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:

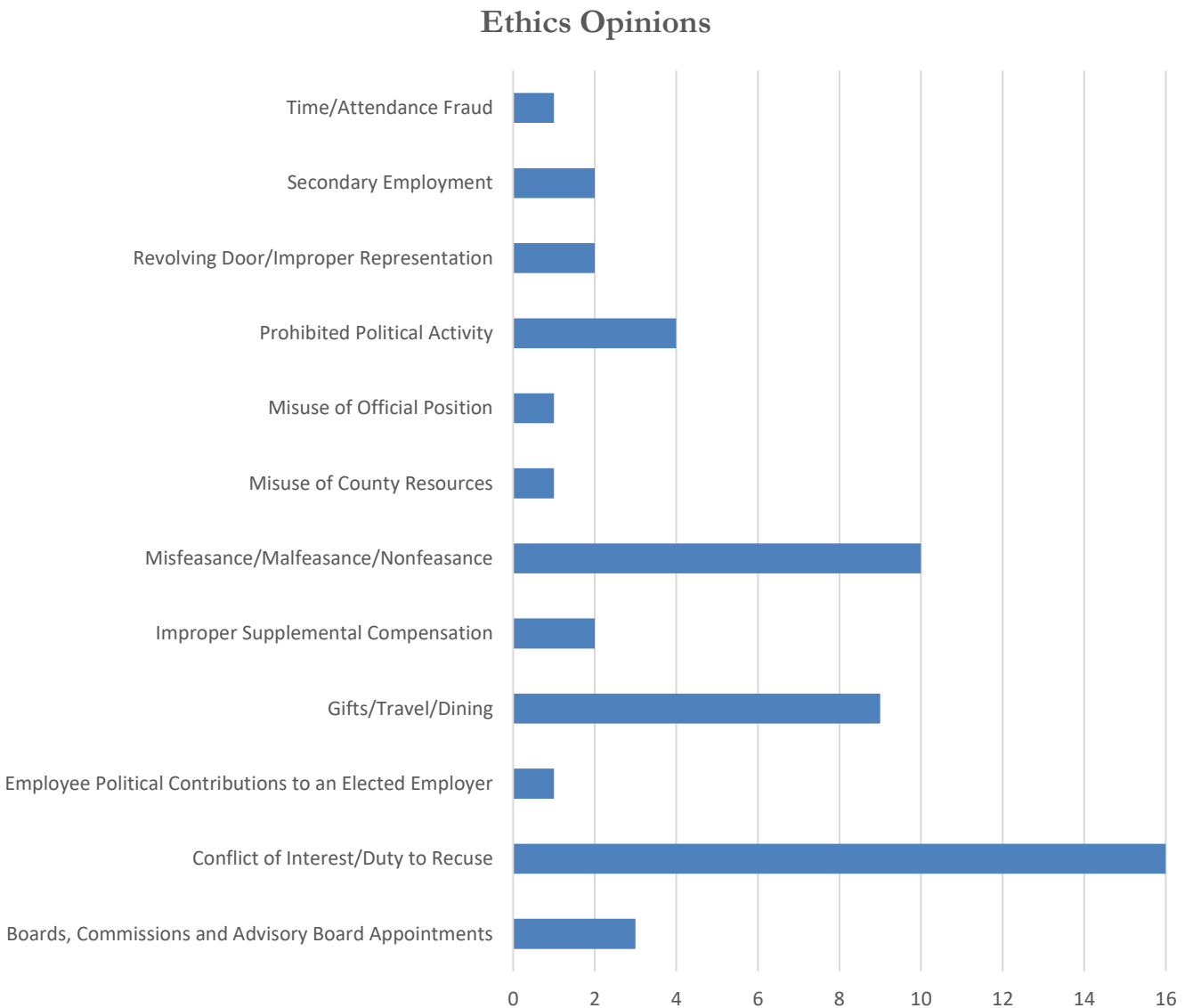
- Any activity that may constitute a conflict of interest;
- Secondary employment; and
- Accepting a County appointment to a board or commission.

In addition, the AIG encourages elected officials, employees, and board members to seek specific guidance from the AIG on other ethics-related issues, including but not limited to the following:

- Political activity for employees;
- Acceptance of gifts;
- Use of County resources and/or position;
- Nepotism; and
- Disclosure requirements.

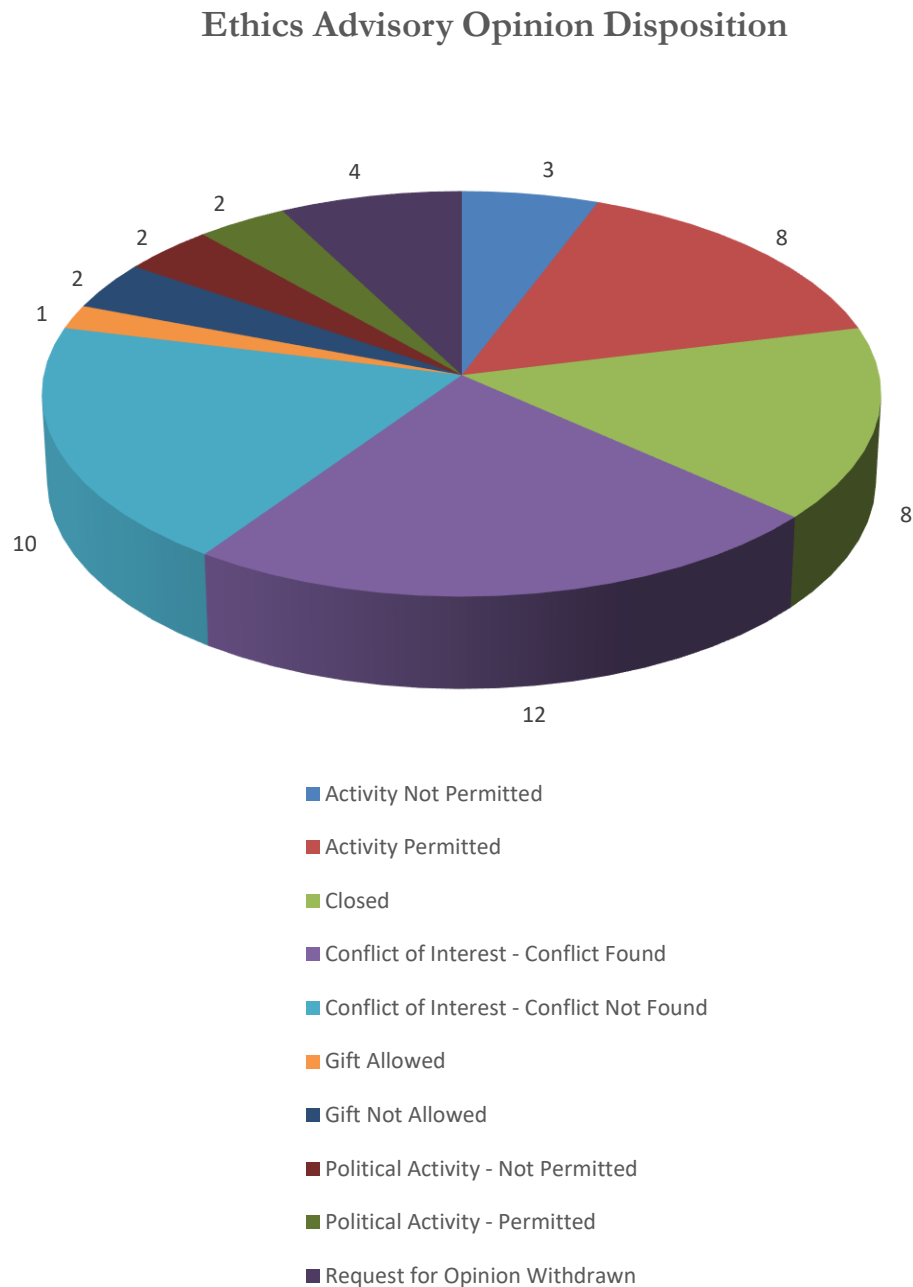
4.2: ETHICS ADVISORY OPINIONS

The AIG issued fifty-two (52) Ethics Advisory Opinions during this reporting period concerning the following topics:



During the first half of 2022, the greatest number of ethics inquiries were related to Conflicts of Interest/Duty to Recuse, followed by Misfeasance/Malfeasance/Nonfeasance; Gifts/Travel/Dining; Prohibited Political Activity; and Boards, Commissions and Advisory Board Appointments.

Of the fifty-two (52) ethics opinions issued this half, the AIG made the following determinations:



The AIG determined in twelve (12) cases that taking the action in question would create an impermissible conflict of interest.

Representative Examples of Recent Ethics Advisory Opinions

SECONDARY EMPLOYMENT

(22-0018-EI) Inquiry from an employee as to whether she was permitted to obtain secondary employment as a grant writer for a municipality within Cuyahoga County. Section 403.04(D) of the County Ethics Code states that no employee shall receive compensation from, or knowingly obtain a financial interest in, any non-County entity in exchange for any service rendered or to be rendered by him or her personally in any matter which is before any County agency, department, board, commission or other authority, and therefore would prohibit the employee from writing a grant that would be before any County agency, department, board, commission or other authority. The employee was advised to fully recuse from participating in those matters, which includes not only decisions but also even discussions. Additionally, the employee was cautioned about participation at any level and advised against doing any work on the matter, or otherwise being involved in any related discussions.

MISUSE OF COUNTY RESOURCES

(22-0002-EI) An employee sought guidance as to whether it is permissible to administer a professional development survey to co-workers who volunteer to participate as part of the employee's doctoral project study. Pursuant to section 403.02(C) of the County Ethics Code, "no elected official, employee, or board member shall use or permit the use of County resources for personal or private purposes unless the use of County resources is de minimis or authorized by law or County policy, or the use of County resources is provided as part of his or her official compensation." The employee was advised that as long as use of County resources is de minimis and taken during non-working hours, this conduct is not prohibited by the County Ethics Code.

POLITICAL ACTIVITY

(22-0009-EI) A unclassified County employee who also serves as Council member for a municipality within Cuyahoga County submitted an inquiry regarding whether endorsing a Congressional candidate is prohibited by the County Ethics Code. The employee was advised that the County Ethics Code does not prohibit endorsement of this candidate, but that the AIG discourages County officials and employees from engaging in conduct that might present even just an appearance of impropriety or conflict.

MISFEASANCE/MALFEASANCE/NONFEASANCE

(22-0041-EI) Inquiry from an employee as to whether a silent auction could be conducted to benefit Harvest for Hunger. The AIG advised that a silent auction is not prohibited by County Ethics Code and that the Ohio Attorney General's office confirmed that silent auctions are not prohibited under Ohio gaming laws.

GIFTS

(22-0023-EI) Inquiry from a department director concerning a \$15 bag of coffee he received from the principal of a company that will likely seek to do business with that County department in the future. The AIG advised the director that under County Code Section 403.06(B), County employees are prohibited from accepting any gift where the gift is intended to influence the employee in the performance of his duties, and that under 403.06(C), a gift to an employee is presumed to be intended to influence the employee if it is from a private person or organization that seeks County action involving the exercise of discretion by or with the participation of the individual. The County Code is more stringent than Ohio ethics law in this respect, as Ohio ethics law also requires the gift to be substantial. As there is no requirement that the gift be substantial under the County Ethics Code, the gift was deemed impermissible because of its source and the director was advised to return it. This is even true if the director did not plan to personally use the gift and instead intended to share the gift with other County employees in the breakroom.

4.3: ETHICS DISCLOSURES

Secondary Employment & Private Business Activity Disclosures

The County Code requires that all elected officials and employees disclose secondary employment, defined as any compensated employment or private business activity outside his/her position with the County that results in gross income required to be reported to the United States Internal Revenue Service, and any compensated or uncompensated fiduciary interest with an entity that receives funding from the County. The disclosure must be in writing, on an official form approved by the Inspector General, to the County Department of Human Resources, which then transmits the forms to the AIG.

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. If the AIG determines that the secondary employment is permissible, the employee is advised to adhere to the strict prohibitions against all of the following:

- Using County time (including sick or other related medical leave – use of vacation and comp/exchange time leave is permissible), resources, personnel or facilities to perform the outside employment;
- Using official title or identification in soliciting private outside employment or conducting private business activity;
- Using the authority or influence of the employee's County position to secure a public contract that benefits the employee, a family member or a business associate;
- Having an interest in the profits or benefits of a public contract entered into by or for the use of the County;
- Using relationships with other public officials and employees established while performing his/her official County duties to secure a favorable decision or action by that official or employee regarding his/her private interests;
- Participating in the employee's official County capacity in a matter upon which his/her private interests are dependent or contingent;

- Receiving fees for providing services rendered on projects that the employee has recommended in his/her official capacity;
- Participating in decisions or making recommendations regarding competitors to his/her private business interest;
- Accepting any compensation for the general performance of the employee's County duties; and
- Disclosing or using confidential information obtained in the course of performing the employee's County duties.

Nepotism & Conflict-of-Interest Disclosures

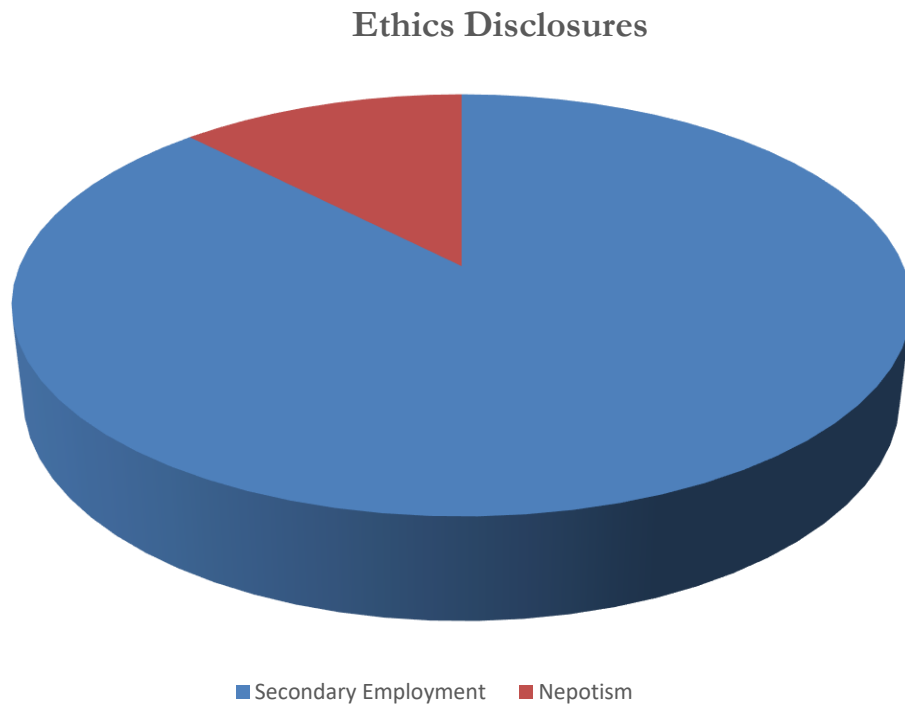
The County Code addresses nepotism in Section 403.05, which prohibits elected officials, employees, and board members from participating in decisions to appoint, hire, promote, discipline, or discharge a relative for any position in the County. Those same public employees are also prohibited from supervising a relative in the performance of the relative's official powers and duties.

County Code 403.04(A), 403.04(B) and 403.04(C) require that County elected officials, employees, and board members disclose any time a matter involving the exercise of discretion comes before them where the disposition of the matter could result in a direct financial or material benefit to themselves or their relatives, business associates, or any private organization in which they have an interest. The disclosure must occur when the individual first learns of the potential conflict of interest, and it must be made either to the public in an open meeting or in writing to the AIG. The individual must fully recuse from the matter and may not participate in any decision or take any official action with respect to the matter, including discussing it or voting on it. 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 Ohio Revised Code Section 2921.42.

To ensure compliance with these requirements, all County employees are required to disclose relatives, private business interests, and associates involved with any matter before the County to the AIG.

Disclosure Statistics

The AIG reviewed and opined on one hundred forty-three (143) inquiries regarding secondary employment and received twenty (20) Nepotism/Conflict of Interest disclosures during this reporting cycle.



SECTION 5: CONTRACTORS & LOBBYISTS

5.1: CONTRACTOR & LOBBYIST REGISTRATION

Pursuant to County Code Section 501.19, contractors who do more than \$10,000 in business annually with the County must register with the AIG unless they qualify for a preapproved exemption. A contractor is defined very broadly in Section 102.01(A) of the Code to mean any person or entity that is a party to an agreement with the County. Registration includes three steps: (1) the online registration form must be completed; (2) ethics training must be completed, which includes passing a quiz and affirming the online Ethics Certification Form; and (3) a \$100 registration fee must be paid. The ethics training program provides contractors and lobbyists with specific guidance on how to promote ethical business practices and avoid improper methods of soliciting business from County officials and employees.

Pursuant to County Code Section 405.01, all lobbyists must register with the AIG in the same manner as contractors. Lobbyists must also make annual disclosures to the AIG, including a list of all clients, a statement of all matters on which the registered lobbyist has lobbied for each client in the past year, and any other information as may be required by the AIG.

As of June 30, 2022, there were one thousand, seven hundred fifty-nine (1,759) contractors and sixteen (16) lobbyists registered with the AIG. Approximately two hundred forty-four (244) registrations will expire on December 31, 2022.

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

5.2: CONTRACTOR BACKGROUND CHECKS

Once the contractor completes the registration process, the AIG performs a comprehensive background check on both the contractor and its principals to ensure that only responsible parties and businesses are given the opportunity to provide goods and services to the County.

If the background check reveals any negative information, the AIG may determine to initiate debarment proceedings against the contractor as more fully discussed below in Section 5.3.

One piece of the background check is ensuring that the contractor does not have any delinquent County property taxes or outstanding tax liens. If the AIG does identify either of those tax issues, it warns the contractor that failure to resolve the tax issue may result in the AIG initiating debarment proceedings. As a result of this process, several contractors are now on payment plans to address delinquent County property taxes and court costs or have fully paid such costs. In addition, it has aided in the resolution of state and federal tax liens and tax liens from other jurisdictions.

During this reporting cycle, the AIG has identified an additional **\$592,732.24** in uncollected delinquent property taxes and tax liens owed by contractors. To date, the AIG has been able to identify **\$3,231,411.66** in unpaid taxes by County contractors.

5.3: DEBARMENT

The AIG administers the County's Debarment Law in accordance with County Code Chapter 505, which was established to protect the County and its taxpayers and to ensure that the County only engages in business with contractors who demonstrate quality business practices and maintain the highest ethical standards.

Chapter 505 establishes a procedure for the AIG to debar contractors who meet certain criteria related to poor business practices or unethical behavior. If the AIG receives negative information about a contractor that would violate Chapter 505, the AIG may decide to initiate debarment proceedings against that contractor. Depending on the grounds for debarment, a contractor may be debarred for five (5) years, three (3) years, or eighteen (18) months; additionally, the AIG may suspend a contractor for one (1) year if the contractor is currently suspended or debarred by certain other enumerated entities.

The AIG initiates the debarment process by first sending the contractor a Notice of Potential Debarment identifying the grounds for the potential debarment, an opportunity to submit evidence to support why the contractor should not be debarred, and information about meeting with the AIG to allow the contractor an opportunity to explain the evidence and why the contractor should not be debarred.

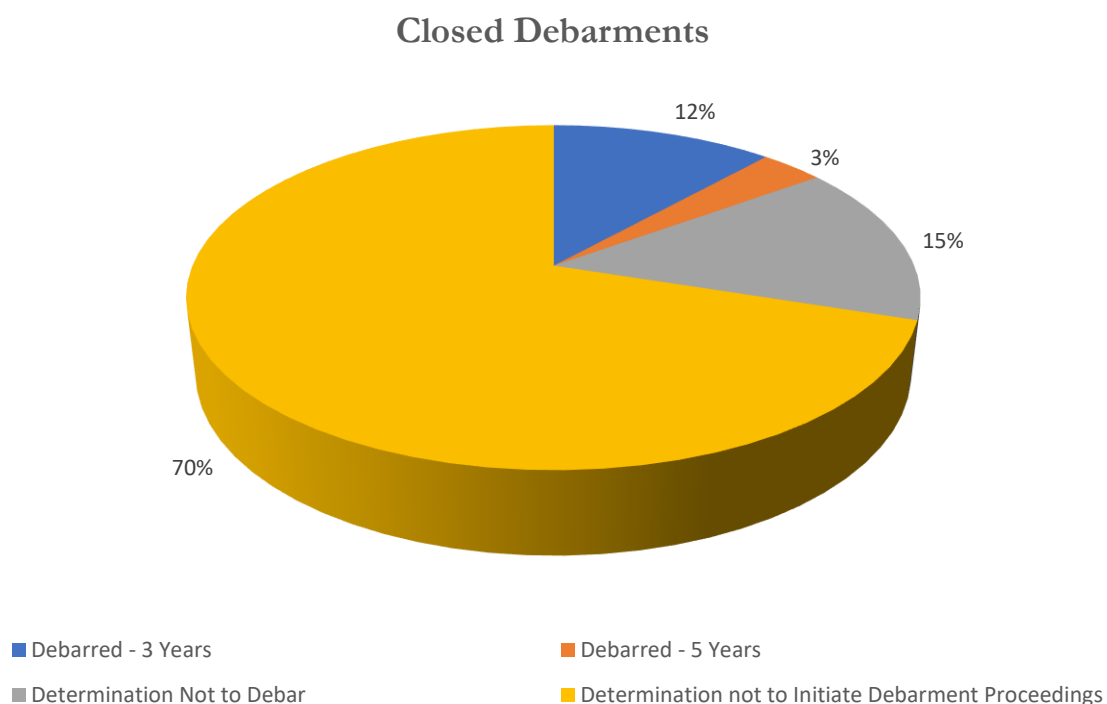
If the AIG determines that debarment is not warranted, a written notice will be issued to the contractor. If the AIG determines to debar the contractor, a Notice of Debarment is issued that informs the contractor of the details of the debarment as well as its right to appeal the decision to the Debarment Review Board⁹ within thirty (30) days.

Chapter 505 directs that, during the debarment period or during any period of suspension, a contractor may not do any of the following:

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

⁹ The Debarment Review Board is currently inactive and is in the process of being reactivated by County administration. The AIG is not moving forward with any contested debarments until the appeals board is in active status.

During this reporting period, the AIG initiated thirty-one (31) debarment matters. The AIG made final determinations on sixty (60) debarment matters, which resulted in seven (7) contractors being debarred for three (3) years and two (2) contractors being debarred for five (5) years. The following reflects the disposition of the completed debarment matters:



The AIG determined not to initiate debarment proceedings in an overwhelming majority of the completed debarment matters. This determination is used when the AIG decides that, after a preliminary review of the matter, there is insufficient grounds to send the contractor a Notice of Potential Debarment. For example, if the AIG initiates a debarment matter due to delinquent County property taxes and the contractor subsequently brings the taxes current after being warned by the AIG, then there would be insufficient grounds to move forward in the debarment process and the matter would be closed as “Determination not to Initiate Debarment Proceedings.”

SECTION 6: OTHER AGENCY ACTIVITY

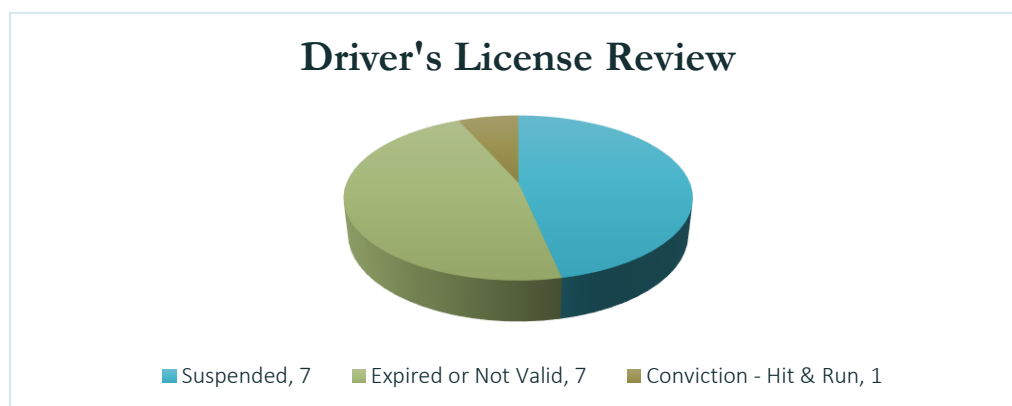
6.1: DRIVER'S LICENSE ABSTRACT REVIEW

Twice a year, the AIG reviews the state driving records of employees who are authorized to operate County-owned vehicles or who drive their own vehicles in the course of their County employment. The goal is to ensure that the County is not placed at risk by employees driving without a valid license. In an effort to increase compliance and reduce County liability, the AIG reviews employee driving records on a semi-annual basis.

During the driver's license review conducted this reporting period, the AIG reviewed the Ohio Bureau of Motor Vehicles' records for the 2,117 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 review indicated that less than 1% of the employees had expired or suspended licenses. However, the AIG did identify a total of fifteen (15) potential violations of County Policy. The employees in question either had a suspended license (7 employees) or an expired or invalid license (7 employees), and one (1) employee had a hit-and-run conviction that could impact the ability to drive and may subject the employee to discipline.

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



6.2: FISHBOWL PROJECT

The Fishbowl Project is a collaborative effort across various agencies that aims to collect delinquent Cuyahoga County property taxes. The project is done in cooperation with the offices of Prosecutor Michael O'Malley, Fiscal Officer Michael Chambers, and County Treasurer Christopher Murray, where the AIG has played a small but positive role since September 2018.

As part of the process, the AIG works with the individuals in the fishbowl unit to identify delinquent commercial parcels that would be good candidates for the AIG's assistance. Once those parcels are identified, the AIG sends a warning letter to the commercial taxpayers notifying them that their County property taxes are delinquent and that the AIG will initiate debarment proceedings if the taxpayer does not bring the taxes current or enter into a payment plan with the County.

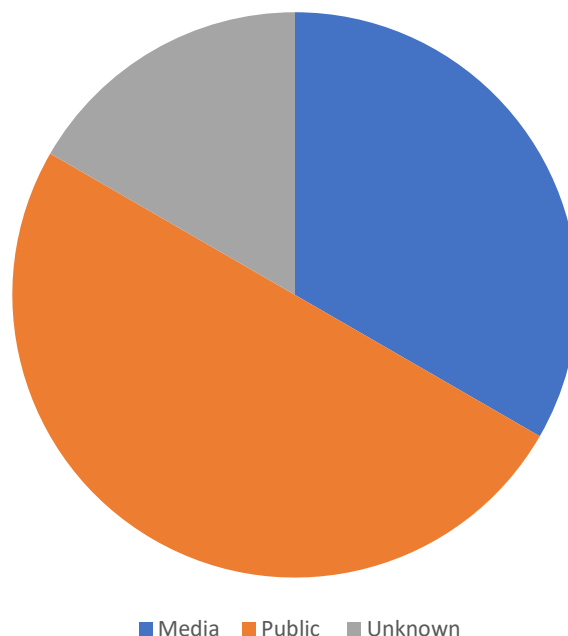
As a result of this joint process, the AIG's involvement has assisted in the collection of **\$1,564,604** in delinquent property taxes during this reporting period. Since 2018, the AIG's efforts have assisted the Fishbowl Project in the collection of a total of **\$12,105,124** in delinquent commercial property taxes in Cuyahoga County. The AIG expects that this amount will increase in the future as the program continues to develop.

6.3: PUBLIC RECORDS REQUESTS

All final Reports of Investigation are public record under the Ohio Public Records laws. Consistent with public records laws and a Memorandum of Understanding between the AIG and the Department of Health and Human Services, the AIG takes all necessary precautions to prevent the release of protected information.

During this reporting period, the AIG processed six (6) public records requests. The AIG received two (2) requests from the media, three (3) requests from the public, and one (1) request from an unknown source.

Public Records Requests



6.4: EDUCATION AND OUTREACH



A key ingredient for the AIG's success is public and employee awareness of the AIG and the County Ethics Code. The AIG welcomes the opportunity to meet with County elected officials, employees, and board members to proactively assist with ethics issues and provide insight into the AIG's role within County government, as well as educate on County and state ethics rules. The AIG continues to offer

virtual presentations and conduct specially-requested ethics training for County departments and boards.

New-Employee Orientation: Ethics Training

Under the pre-pandemic new-hire training model, employees received two days of in-person orientation. On the second day, the new employees would spend approximately three hours with AIG staff learning about the various components of the County Ethics Code, including how to approach ethical dilemmas if and when they arise. Employees also reviewed and discussed a series of examples, both hypothetical and from actual past situations. These trainings took place every two weeks at the County Administrative Headquarters.

Due to the COVID-19 pandemic, in-person new-employee orientation was suspended and new employees instead received orientation virtually, including ethics training. Unfortunately, orientation and ethics training are still only being offered virtually.

Young Southeast Asian Leaders Initiative Professional Fellows Program

Each year as part of the U.S. Department of State's Young Southeast Asian Leaders Initiative Professional Fellows Program, the American Council of Young Political Leaders designs and implements a short-term fellowship program in the United States for 50 international participants from Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Timor Leste, and Vietnam. The Professional Fellows Program seeks to provide promising young leaders aged 25-35 with the opportunity to build practical expertise, develop leadership skills, and foster innovative ideas for tackling what they have identified as their generation's greatest challenges in the region.

The Professional Fellows Program focuses on the theme of Governance and Society and provides international participants with an in-depth, hands-on exploration of the vital role that a diverse civil society plays in our country's political and policy-making processes, and how this involvement informs and enhances political transparency, accountability, and American democracy. In so doing, the fellows strengthen their understanding of American governance, politics, public policy-making, and the legislative process.

During the first half of 2022, the AIG hosted one (1) fellow, Diana Laurencia Sidauruk, who is a Lead Internal Auditor at the Ministry of Finance of Republic of Indonesia. As a result of the fellowship, the AIG will participate in an international webinar on the importance of transparency and accountability in government in the second half of 2022.

SECTION 7: GOALS

7.1: REVIEW OF FIRST HALF 2022 GOALS

In the AIG's prior semi-annual report, the AIG set forth specific goals it sought to accomplish the first half of 2022. These goals were as follows:

1) **Develop Contractor Registration Compliance Monitoring –**

- **Goal:** The AIG will review the initial results of the first run of this automated data analytics program to determine if the contractors identified failed to register with the AIG. The AIG will set an appropriate monitoring cycle.
- **Status:** The AIG's review identified more than two hundred (200) contractors who did more than \$10,000 in business with the County in 2020 and were not registered with the AIG. Subsequent to AIG outreach, eighteen (18) of those contractors registered with the AIG, eleven (11) provided evidence that they were exempt from registration, and twenty-five (25) of the results were identified as false positives. The remaining contractors who failed to respond to the AIG will receive final notices in July 2022 and will be at risk for possible debarment if they fail to respond or comply. Because this review is based on a contractor's cumulative annual spending, the AIG plans to conduct this review annually.

2) **Develop Conflict of Interest Monitoring –**

- **Goal:** The AIG will review the initial results of the first run of this automated data analytics program to determine if a conflict of interest existed. The AIG will set an appropriate monitoring cycle.
- **Status:** The AIG review identified over one hundred potential conflicts of interest in the first run of this automated data analytics program. After reviewing the highest risk results, the AIG initiated six (6) investigations into individual cases. The AIG plans to conduct this review semi-annually.

3) **Expand Automation of Office Procedures –**

- **Goal:** The AIG will look for additional ways to automate office procedures in an effort to improve efficiency.
- **Status:** In addition to the automation of much of the contractor background process, the AIG has automated the process for many of our standard letters. This was accomplished by creating templates and programming those templates into our case management system, which allows letters to automatically generate by pulling case information from the system. This enables staff to reduce the time spent on administrative tasks while still providing the same level of consideration and analysis.

7.2: GOALS FOR SECOND HALF 2022

The AIG intends to achieve the following goals in the second half of 2022:

- 1) **Update and Modernize the AIG website** – The AIG is working with the Department of IT to migrate its website to the County’s new website content management environment. During the migration, the AIG will work to update content and design, redesign forms, and improve the overall user experience. The new website should help enhance accessibility and awareness of the AIG’s operations and continue to support our electronic reporting system for whistleblowers, contractors and other forms that are accessible via our website.
- 2) **Enhance IT Security within the AIG** – The AIG intends to review its systems and implement additional security measures as needed based on the review. This includes reviewing password policies and other logical access controls to help ensure we are adhering to best practices for our applications and their data. By proactively evaluating our security profile for potential vulnerabilities we can reduce the risk of unauthorized access to AIG data.
- 3) **New Employee Ethics Training** – In response to COVID-19, HR transitioned away from live training and continues to offer new hire Ethics Training through online videos. The AIG will work to enhance the new hire Ethics Training program by creating a new video presentation with updated content and increased interaction. The AIG will also seek additional ways to promote awareness of the County Ethics Code to both new hires and current elected officials, employees, and board members.
- 4) **Expansion of the Automated Data Analytics Program** – The AIG intends to complete the first review of the four current projects and work towards running the data analytics program based on the schedule presented in Section 3.4 of this report. The AIG will continue to evaluate other ways to implement automated data analytics to proactively identify potential fraud, waste and abuse in County operations.
- 5) **Increase Investigation Timeliness** – In conjunction with more transparent reporting functions, the AIG commits to improving timeliness on investigations and bringing our cases current. The AIG intends to accomplish this through continued and regular case reviews with AIG staff to ensure that investigations are being handled efficiently and that reasonable deadlines are met.

APPENDIX: BACKGROUND & JURISDICTION

A. THE 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”).¹⁰ 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 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.¹¹ 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.¹²

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 County Code in accordance with the terms of said law. In so doing, the Inspector General shall

¹⁰ The AIG Ordinance was amended effective June 27, 2012 (Ordinance No. O2012-0008).

¹¹ County Code, Section 204.01(B)(3), formerly Section 2(c) of the AIG Ordinance.

¹² County Code, Section 204.01(B)(2), formerly Section 2(b) of the AIG Ordinance.

cooperate with the County’s Personnel Review Commission.¹³ 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.¹⁴

- 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.¹⁵
- 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.¹⁶
- 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.¹⁷
- 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.¹⁸

¹³ 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>.

¹⁴ County Code, Section 204.01(B)(3)(a), formerly Section 2(c)(i) of the AIG Ordinance.

¹⁵ County Code, Section 204.01(B)(3)(b), formerly Section 2(c)(ii) of the AIG Ordinance.

¹⁶ County Code, Section 204.01(B)(3)(c), formerly Section 2(c)(iii) of the AIG Ordinance.

¹⁷ County Code, Section 204.01(B)(3)(d), formerly Section 2(c)(iv) of the AIG Ordinance.

¹⁸ 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.¹⁹
- 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.²⁰

In conducting its duties, the AIG is required to avoid interfering in any ongoing outside criminal, civil or administrative investigation/prosecution.²¹ The AIG is also required to develop internal policies and procedures that ensure an investigation subject's constitutional rights are protected.²²

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.²³

¹⁹ County Code, Section 204.01(B)(3)(f), formerly Section 2(c)(vi) of the AIG Ordinance.

²⁰ County Code, Section 204.01(B)(4)(d), formerly Section 2(d)(iv) of the AIG Ordinance.

²¹ County Code, Section 204.01(B)(4)(a), formerly Section 2(d)(i) of the AIG Ordinance.

²² County Code, Section 204.01(B)(4)(b), formerly Section 2(d)(ii) of the AIG Ordinance.

²³ County Code, Section 204.01(E), formerly Section 3(e) of the AIG Ordinance.

B. THE 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, 2011.²⁴ 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 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

²⁴ 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).

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 that 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 to 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 and 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's 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.²⁵

- The Inspector General shall receive allegations of non-criminal whistleblower complaints.²⁶
- 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.²⁷
- The Inspector General or the Department of Law may receive and rule on conflict-of-interest disclosures for employees.²⁸
- The Inspector General must review and respond to secondary employment disclosures.²⁹
- The Inspector General may review board/commission appointments by the County for compatibility.³⁰
- The Inspector General shall obtain financial disclosure statements from certain County officials and employees.³¹

²⁵ County Code, Section 403.09 (B), formerly Article 7, Section 16(D) of the Ethics Ordinance.

²⁶ County Code, Section 406.01(B), formerly Article 7, Section 17(B) of the Ethics Ordinance.

²⁷ County Code, Section 406.01(A), formerly Article 7, Section 18(A) of the Ethics Ordinance.

²⁸ County Code, Section 403.04 (F), formerly Article 7, Section 23 of the Ethics Ordinance.

²⁹ County Code, Section 403.08 (D), formerly Article 7, Section 26 of the Ethics Ordinance.

³⁰ County Code, Section 403.04 (E) and 407.01(I), formerly Article 7, Section 27 of the Ethics Ordinance.

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

- The Inspector General must create and maintain a County lobbyist registry.³²
- The Inspector General must create and maintain a County contractor registry.³³

C. 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

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

³³ County Code, Section 501.19 (B), formerly Article 7, Section 34 of the Ethics Ordinance.

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.

D. JURISDICTION OF THE AGENCY OF INSPECTOR GENERAL

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; and
- 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 AIG does not review or

override the decision of a court or the findings of any administrative body. Likewise, the AIG 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 AIG's obligation is to ensure that the investigative process is conducted fully, fairly, and impartially.

Inspector General Requirements

The Inspector General is appointed by the County Executive subject to confirmation of County Council.³⁴ According to Section 15.01(4) of the Charter, the Inspector General serves a term of four years. The current term will expire on December 31, 2024. Each subsequent Inspector General shall be appointed or reappointed for the term commencing on January 1, 2025, 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.

³⁴ 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.

E. TRANSPARENCY: THE AIG 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;
- 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.



A copy of this report (Cuyahoga County AIG Semi-Annual Report – 1st Half 2022) 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