

Cuyahoga County Agency of Inspector General



**Semiannual Report
Second Half 2011
(7/1/11 – 12/31/11)**

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SECTION 1: BACKGROUND

1.1 INTRODUCTION

1.2 WHAT IS AN INSPECTOR GENERAL?

1.3 CUYAHOGA COUNTY AGENCY OF INSPECTOR GENERAL



Section 1.1

INTRODUCTION

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



Section 1.2

WHAT IS AN INSPECTOR GENERAL?

Although the Cuyahoga County Agency of Inspector General is the first local agency of this type in Ohio, the inspector general concept is one that dates back over 200 years.

The inspector general concept can trace its origin to the French Army in the late 1600's. In 1668, the French king appointed an inspector general of the infantry and an inspector general of cavalry. The concept of military inspector generals quickly expanded to become an essential aspect of all modern armies.

The inspector general system arose in the United States during the Revolutionary War. Frustrated with the training and readiness of his forces, General George Washington designated an Inspector General to superintend the training of the entire Army to ensure troop proficiency and common tactics. At the same time, the Continental Congress expressed a desire to appoint an inspector general to help in accountability for the military investments and to assure that the military would remain subordinate to its authority. On December 13, 1777, Congress created the Inspector General of the Army to perform the following tasks:

- Review the troops;
- See that officers and soldiers were instructed in exercise maneuvers established by the Board of War;
- Ensure that discipline be strictly observed; and
- Ensure that officers command properly and treat soldiers with justice.

The size and influence of the inspector general within the Army rose and fell during the 18th and 19th centuries. The inspector general mission, however, grew in importance and scope during World War II and continued to grow in the postwar army. The statutory basis for the current Federal inspector general system comes from the 1950 Army Reorganization Act. This Act created the Office of the Inspector General of the Army.¹

¹ History of the U.S. Army Inspector General, OFFICE OF THE INSPECTOR GENERAL – USMA PUBLIC DOMAIN; <http://usma.edu/IG/history> (last viewed 2/12/12).



The first civilian office of inspector general was established within the U.S. Department of Agriculture (“DOA”) in 1973 in response to scandals with government soybean subsidies. This office was created by centralizing all of the individual audit and investigative offices within the department.

The success of the DOA Inspector General led to the passage of the Inspector General Act of 1978. This Act led to the creation of inspector general offices in all U.S. Cabinet departments. The mission of these offices was to prevent and detect fraud, and to promote efficiency and effectiveness in the programs and operations of their departments.² The number of Federal offices of inspector general has increased from 12 in 1978 to the current number of 73.³

The first state inspector general was established in Massachusetts in 1981. The Ohio Office of the Inspector General was established by an Executive Order issued by Governor Richard Celeste in 1988. The Ohio Office of the Inspector General investigates fraud, waste, abuse, and corruption within the executive branch of state government.⁴

Over the past two decades, several local governments have adopted varied forms of the inspector general concept to combat fraud, waste, and inefficiency in governmental operations.

In 1996, the Association of Inspectors General (“IG Association”) was established to help coordinate the efforts of all inspectors general by performing policy research and analysis, standardizing practices and policies, and sponsorship of educational and certification programs. The IG Association has determined that all inspectors general have the basic goal of prevention and detection of fraud, waste and abuse; ensuring efficient and effective use of public resources; and promotion of public integrity. Each office, however, is established under differing specific authorities and mandates. Therefore, inspectors general use a wide variety of approaches to accomplish their core mission.⁵

² History of the Inspector General, NEW ORLEANS OFFICE OF THE INSPECTOR GENERAL, <http://www.nolaoig.org/main/inside.php?page=history> (last viewed on 2/12/12).

³ Inspectors General Directory and Website Links, COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY, <http://www.ignet.gov/igs/homepage1.html> (last viewed on 2/12/12).

⁴ Home Page, STATE OF OHIO OFFICE OF THE INSPECTOR GENERAL, <http://watchdog.ohio.gov/index.htm> (last viewed on 2/12/12).

⁵ Principles and Standards for Offices of Inspector Generals, ASSOCIATION OF INSPECTORS GENERAL, <http://data.memberclicks.com/site/aig/IGStandards.pdf> (May 2004).



Section 1.3

CUYAHOGA COUNTY AGENCY OF INSPECTOR GENERAL

Laying the Groundwork

On July 28, 2008, over two hundred Federal Bureau of Investigation ("FBI") and Internal Revenue Service ("IRS") agents executed search warrants on several Cuyahoga County officials and offices and on multiple local contractors. This raid was the first public indication of a wide-scale investigation into public corruption in Cuyahoga County; including bribery, contract steering, contract manipulation, property appraisal schemes, fixing court cases, job trades, improper gifts and shadow employees. At least twenty seven public officials and contractors have been convicted as a result of this investigation.⁶ Several dozen more public officials and contractors have been either charged with or identified as having some level of involvement in the public corruption.

In response to the ongoing corruption investigation, the citizens of Cuyahoga County adopted a new charter form of government in November 2009. The preamble to the Charter of Cuyahoga County ("Cuyahoga Charter") sets forth the following goals for the new County government:

- (1) Focused, effective and accountable leadership;
- (2) Job creation and economic growth as a fundamental government purpose, thereby helping the County do a better job of creating and retaining jobs and ensuring necessary and essential health and human services;
- (3) Collaborative leadership with Cleveland, suburbs and others within the public and private sectors;
- (4) An improved focus on equity for all our communities and citizens;
- (5) Long-term regional and global competitiveness; and

⁶ Nearly 100 Years of Prison Time Handed Down So Far in Cuyahoga County Corruption Cases, CLEVELAND.COM, http://blog.cleveland.com/metro/2011/nearly_100_years_of_prison_tim.html (last viewed 2/12/12).



- (6) Significant taxpayer savings by streamlining and eliminating unnecessary elected offices.

In furtherance of the goal of increased accountability for public leadership, the Cuyahoga Charter granted the newly established County Executive position the following investigative authority:

The County Executive may, at any time and without notice, cause the administrative affairs or the official acts and conduct of any official or employee of any County office, department or agency over which the Executive has authority to be examined. The County Executive, **or any person appointed by the Executive to conduct such an examination**, shall have the same power to take testimony, administer oaths and compel the attendance of witnesses and the production of papers, books and evidence and refer witnesses to the Prosecuting Attorney to be punished for contempt as is conferred upon Council by this Charter. Subpoenas may not be issued pursuant to this section except by resolution adopted by a two-thirds vote of Council.⁷

In addition, the County's new legislative body is granted the following investigative authority:

The Council or any committee of Council may investigate the financial transactions of any office, department or agency of County government and the official acts and conduct of any County official relating to any matter upon which Council is authorized to act. In conducting such investigations, the Council or any such committee may administer oaths and may, by resolution adopted by vote of at least eight members of Council or of the committee of Council, compel the attendance of witnesses and the production of books, papers and other evidence through the issuance of subpoenas. Subpoenas shall be signed by either the President of Council or the chair of the Council committee seeking a witness's testimony or the production of evidence and shall be served and executed by an officer authorized by law to serve subpoenas and other legal process. In the matter of compelling the attendance of witnesses and the production of evidence, the majority vote of Council, if any, shall take precedence over the

⁷ Charter of Cuyahoga County, Section 2.05 (emphasis added).



vote of a Council committee. If any duly-subpoenaed witness refuses to testify to any facts within the witness's knowledge, or to produce any paper, books, or other evidence in the witness's possession or in the witness's control relating to the matter under inquiry before the Council or any such committee, the Council may refer the matter to the Prosecuting Attorney for the Prosecuting Attorney to cause the witness to be punished as for contempt.⁸

While the Cuyahoga Charter became effective on January 1, 2010, the first year was designated as a transition year to the new form of government. In accordance with the mandate of the Cuyahoga Charter, the County established a Transition Advisory Group ("TAG") to guide this process throughout 2010. The TAG engaged in a process that involved the formation of several public/private hybrid advisory committees that conducted over 330 meetings in 2010. On October 7, 2010, the TAG issued an Interim Report of the Cuyahoga County Transition Executive Committee ("TAG Report").⁹ This report incorporated the recommendations of the thirteen work groups into a comprehensive document to be delivered to the public and to the newly elected County officials.

The TAG Report offered several recommendations relating to the Cuyahoga Charter's mandate for increased accountability for County leadership. These recommendations included a call to establish a "prevention first" approach to ethics:

The County should not just create rules, but should take a "prevention-first" approach to ethics and integrity issues. Our recommendations to create this environment include a detailed plan for an Internal Audit Department, **the creation of an Office of Inspector General**, and the provision of qualified, direct advice to the County Executive and Council by a new Director of Law. There are benefits to each of these new resources that the Executive and Council must discuss and debate. While some of these functions may be combined or connected, establishing a clear commitment and a supporting infrastructure for ensuring an ethical and transparent county government should be a top priority in the early weeks of the new administration. In addition, the new government

⁸ Charter of Cuyahoga County, Section 3.12.

⁹ First Things First: Transition to a New Cuyahoga County Government, COUNTY CHARTER TRANSITION ADVISORY GROUP, http://charter.cuyahogacounty.us/pdf_transitioninfo/en-US/InterimRprt-CC-TranstnExeCmmt_1stthngs.PDF (last viewed on 2/12/12).



should commit to ongoing efforts to train county staff on the code of ethics and methods for preventing fraud, waste and abuse.¹⁰

On February 7, 2011, newly elected County Executive Edward FitzGerald appointed Nailah K. Byrd as the County's first Inspector General. The new Cuyahoga Inspector General initially operated under the Executive's Charter investigative authority. Subsequent actions of County Council and the County Executive, however, more explicitly defined the role of the Inspector General.

The County Ethics Ordinance

The County Council enacted a permanent Code of Ethics in Ordinance No. O2011-0008 ("the Ethics Ordinance"), which was signed by the County Executive and became effective on April 8, 2011. Article 9 of the Ethics Ordinance officially designates the Inspector General as the ethics investigative officer for the County and requires the Inspector General to conduct all investigations pertaining to the Ethics Ordinance. Accordingly, Section 23 of Article 7 of the Ethics Ordinance grants the Inspector General the following enforcement authority when a violation of the Ethics Ordinance is uncovered:

- *Letter of Notification.* The Inspector General may issue a letter of notification when it finds that a violation of the Ethics Ordinance was clearly unintentional or inadvertent. The letter may advise the individual/entity of any steps to be taken to avoid future violations.
- *Letter of Admonition.* The Inspector General may issue a letter of admonition when it finds that the violation of the Ethics Ordinance was minor and/or may have been unintentional or inadvertent.
- *Letter of Censure.* The Inspector General may issue a letter of censure when it finds that the individual/entity has intentionally or knowingly violated the Ethics Ordinance.
- *Recommendations to the County Executive.* When the Inspector General finds that the individual/entity has intentionally or knowingly violated this Ordinance, the Inspector General may make a recommendation to the County Executive 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 individual's/entity's right to solicit, bid on or obtain a contract with or from the County, as allowed by applicable law.

¹⁰ Id. at p. 9 (emphasis added).



- *Notice to the Ohio Ethics Commission.* When the Inspector General finds that a public official or employee has recklessly or knowingly violated the Ohio provisions of the Ethics Ordinance, the Inspector General shall consult with the Ohio Ethics Commission to determine whether the matter should be referred to the Ethics Commission.
- *Referral to Additional Ethics Training.* Upon finding of violation of this Ordinance, the Inspector General may require that the individual/entity 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, the Ethics Ordinance requires the Inspector General to perform the following disclosure/prevention functions:

- When a Public Official or Employee, in the course of carrying out his or her duties, has been offered or is discussing future employment with a business that is presently dealing with the County concerning matters within the Public Official or Employee's current official duties, that person shall comply with all requirements in the Ethics Law and related statutes regarding future employment and disclose such possible future employment to the Inspector General.¹¹
- The Inspector General is defined as a proper recipient of non-criminal whistleblower complaints.¹²
- County public officials and employees are required to report criminal behavior in County operations to the Inspector General within five days of becoming aware of the behavior.¹³
- The Inspector General must receive and rule on conflict of interest disclosures.¹⁴

¹¹ Ethics Ordinance, Article 7, Section 16(D).

¹² Ethics Ordinance, Article 7, Section 17(B).

¹³ Ethics Ordinance, Article 7, Section 18(A).



- The Inspector General must review and respond to secondary employment disclosures.¹⁵
- The Inspector General must review board/commission appointments by the County for conflicts of interest.¹⁶
- Certain County officials and employees are required to file financial disclosure statements with the Inspector General.¹⁷
- The Inspector General is required to obtain all campaign finance reports and financial disclosure statements for all candidates for County elected office.¹⁸
- The Inspector General must create and maintain a County lobbyist registry.¹⁹
- The Inspector General must create and maintain a County contractor registry.²⁰

Establishment of the Agency

On June 14, 2011, the County Council created the AIG by enacting Ordinance No. O2011-0019 (“the AIG Ordinance”). The AIG Ordinance creates an independent agency under the direction of the Inspector General, but also sets forth specific requirements and limitations designed to ensure that the AIG remains accountable to the public.

The AIG is authorized to conduct all examinations under Section 2.05 of the Cuyahoga Charter and does, therefore, have all such rights and duties to investigate fraud, corruption, waste, abuse, misfeasance, malfeasance, and nonfeasance without interference or pressure from any other public official or employee.²¹ So long as all budgetary parameters are kept, the Inspector General is granted the ability to employ assistants and employees as shall be

¹⁴ Ethics Ordinance, Article 7, Section 22.

¹⁵ Ethics Ordinance, Article 7, Section 25.

¹⁶ Ethics Ordinance, Article 7, Section 26.

¹⁷ Ethics Ordinance, Article 7, Sections 29 and 31.

¹⁸ Ethics Ordinance, Article 7, Section 30.

¹⁹ Ethics Ordinance, Article 7, Section 32.

²⁰ Ethics Ordinance, Article 7, Section 34.

²¹ AIG Ordinance, Section 2(c).



reasonably necessary to assist the Inspector General in carrying out the duties of the AIG.²²

In addition to the investigatory function, the AIG Ordinance 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 the ethics ordinance in accordance with the terms of said ordinance. In so doing, the Inspector General shall cooperate with the County's Human Resource Commission. The Inspector General shall not interfere with the authority of the Human Resource Commission to ensure "compliance with ethics resolutions or ordinances as passed by the Council" under Section 9.02(3) of the County Charter.²³
- The Inspector General shall establish a "hotline" and web site to receive complaints from either anonymous or identified persons, and s/he 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 confidential investigative files.²⁴
- The Inspector General shall have the powers and rights to investigate all County contracts subject to the limitations set forth in Section 2(d)(iii) of the AIG Ordinance.²⁵
- When the Inspector General reasonably believes that a possible violation of any state, federal, or local law, rule, regulation, or policy has taken place, s/he shall notify the appropriate civil, criminal, or administrative agencies in charge with enforcement of said violation. In the case of a possible violation of a rule, regulation, or policy governing a County employee, the Inspector General shall notify the County Executive and the Department of Human Resources.²⁶

²² AIG Ordinance, Section 2(b).

²³ AIG Ordinance, Section 2(c)(i).

²⁴ AIG Ordinance, Section 2(c)(ii).

²⁵ AIG Ordinance, Section 2(c)(iii).

²⁶ AIG Ordinance, Section 2(c)(iv).



- 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.²⁷
- The Inspector General shall prepare and publish semiannual 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 Agency 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 that of the cost of the salaries of the Agency. The Inspector General shall simultaneously publish the reports on the Agency's website.²⁸

In conducting its duties, the AIG is required to avoid interfering in any ongoing outside criminal, civil or administrative investigation/prosecution.²⁹ The AIG is also required to develop internal policies and procedures that ensure that any investigation subject's constitutional rights are protected.³⁰

The AIG shall only be abolished upon the affirmative vote of at least eight members of Council and executed by the Executive.³¹

²⁷ AIG Ordinance, Section 2(c)(v).

²⁸ AIG Ordinance, Section 2(c)(vi)

²⁹ AIG Ordinance, Section 2(d)(1).

³⁰ AIG Ordinance, Section 2(d)(ii).

³¹ AIG Ordinance, Section 3(e).



SECTION 2: ADMINISTRATION

2.1 THE INSPECTOR GENERAL

2.2 AIG STRUCTURE

2.3 AIG BUDGET



Section 2.1

THE INSPECTOR GENERAL

AIG Ordinance Requirements

The Cuyahoga Inspector General is appointed by the County Executive subject to confirmation of Council.³² The Inspector General is appointed to a term of five years.³³ The Inspector General may only be removed from office for cause. Either the County Executive or County Council may initiate the process to remove the Inspector General by introduction of a resolution before Council. To effectuate such removal, the resolution must receive the affirmative vote of at least eight (8) members of Council.³⁴

In appointing and confirming the Inspector General, the County Executive and County Council are to exercise good faith efforts to seek highly qualified candidates who have demonstrated the ability to work with local, state, and federal law enforcement agencies and who have audit-related skills and professional certifications in relevant fields. The selected Inspector General must have the following minimum qualifications:

- A juris doctorate degree from an accredited institution of higher learning; and
- At least ten years' experience in any one or a combination of the following fields:
 - As a federal, state, or local law enforcement agent/official;
 - As a licensed attorney;
 - As an inspector general, certified public accountant, or internal auditor; or
 - As a person with escalating supervisory and managerial experience in an investigative public agency similar to an inspector general's agency.³⁵

³² AIG Ordinance, Section 3(b).

³³ AIG Ordinance, Section 3(c).

³⁴ AIG Ordinance, Section 3(d).

³⁵ Id.



Inspector General Nailah K. Byrd

The AIG Ordinance explicitly authorized the incumbent Inspector General, Nailah K. Byrd, to have the right to continue to serve as the County's first Inspector General without confirmation of Council until June 30, 2016.³⁶

Inspector General Byrd previously worked as a federal prosecutor in the United States Attorney's Office for the Northern District of Ohio. Prior to that, she practiced law in the litigation group at the international law firm of Squire Sanders & Dempsey, and then served as senior counsel at National City Bank/PNC, where she managed outside litigation counsel. She started her legal career as an Assistant District Attorney in New York County after graduating from law school. Inspector General Byrd is admitted to practice law in New York, New Jersey and Ohio.

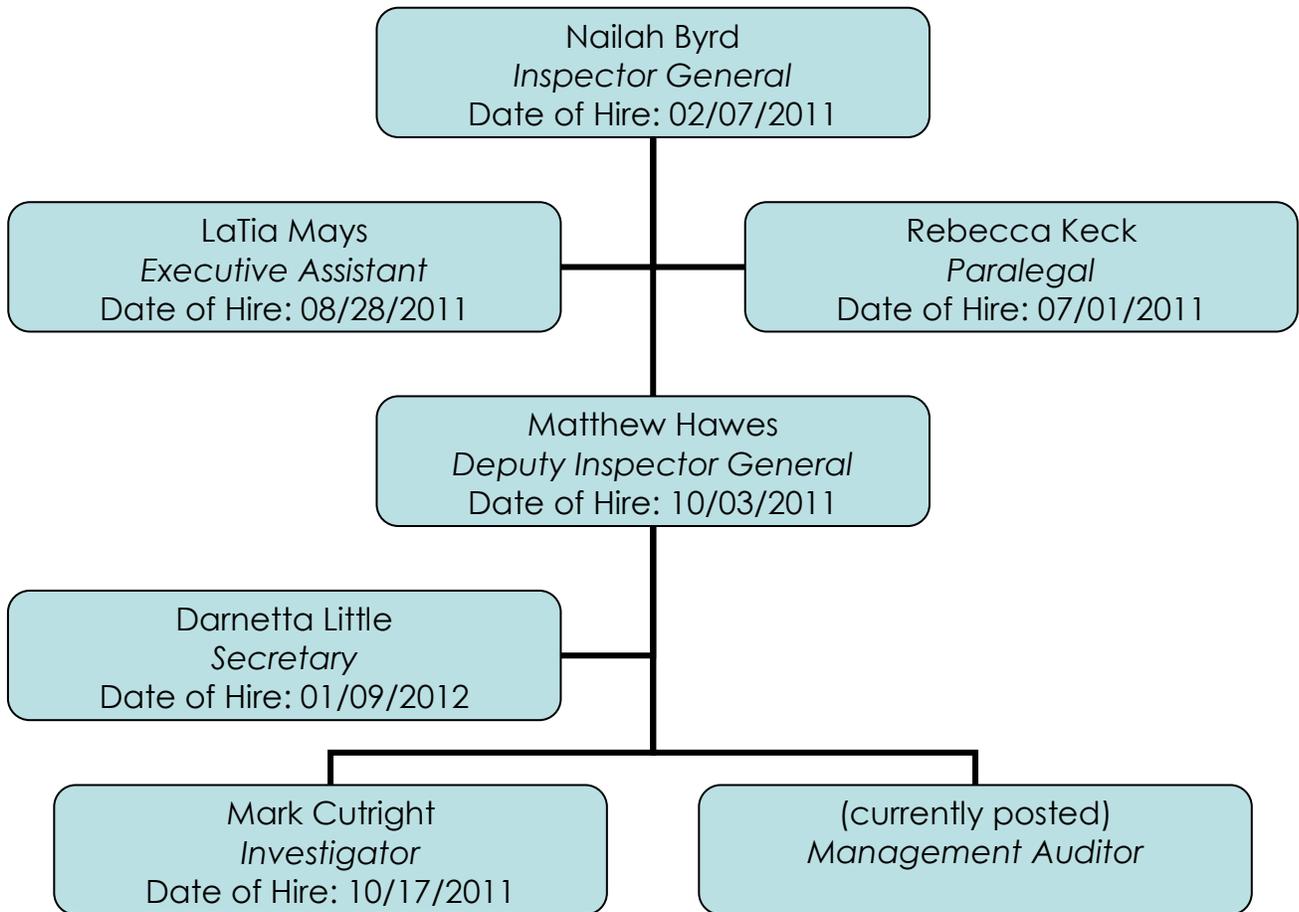
A graduate of the 2004 Bridge Builders class, Inspector General Byrd is also a member of Kaleidoscope Magazine's 40 under 40. She previously served on the Magistrate Selection Committee for the Northern District of Ohio. She has been recognized as a top lawyer in Ohio Super Lawyers Magazine and was selected by Crain's Cleveland Business Magazine as a 2011 Women of Note finalist. Most recently, she was featured in Cleveland Magazine's Most Interesting People 2012 article.

³⁶ AIG Ordinance, Section 3(a).



Section 2.2 AIG STRUCTURE

The AIG currently operates under the following organizational structure:



The Inspector General also possesses budgetary authority to fill one additional position in 2012. The Inspector General is in the process of finalizing the responsibilities for this position.



Section 2.3 AIG BUDGET

County Council granted the IG an initial budget allocation of \$375,000.00 for the second half of 2011.³⁷ In addition, County Council mandated the County to exercise good faith efforts to provide the AIG with appropriately located office space and sufficient physical facilities, including office furniture, equipment, and software, commensurate with other County departments of similar size and needs.³⁸

The following is a summary of the budget that was submitted to County Council in June 2011 and the actual expenditures for the budget period (July 1, 2011 – December 31, 2011):

Expense	Budget	Actual Expenditures
Salaries and Benefits	\$331,565.00	\$216,745.00
Other Operating Costs (office supplies, postage, print shop, training, travel, etc.)	\$28,000.00	\$14,584.00
	\$359,565.00	\$231,329.00

In addition to these costs, the Cuyahoga County Office of Budget and Management estimates an expense of \$67,369.00 was spent on the AIG to satisfy the facilities requirement (e.g., office space, furniture, computers, and telephones) in the AIG Ordinance. In an attempt to defray the costs associated with the establishment of the AIG, County Council has implemented a \$100 annual registration fee for all non-exempt County contractors and lobbyists. In 2011, the AIG collected \$64,900.00 in registration fees.

Total Cost to Taxpayers

Salaries and Benefits	\$216,745.00
Other Operating Costs	\$14,584.00
Facilities	\$67,369.00
(Registration Fee)	(\$64,900.00)
TOTAL COST TO TAXPAYERS:	\$233,798.00

³⁷ AIG Ordinance, Section 2(e)(i).

³⁸ AIG Ordinance, Section 2(f).



SECTION 3: INVESTIGATION

3.1 INVESTIGATION PROCEDURES

3.2 INVESTIGATION STATISTICS

3.3 SUMMARIES OF SIGNIFICANT CASES



Section 3.1

INVESTIGATION PROCEDURES

Purpose

The AIG is working to create an investigation process that facilitates all of the following:

- 1) Responsiveness to all individuals who report allegations of wrongdoing;
- 2) Prioritization of resources on cases that yield the most savings for taxpayers;
- 3) Protection of the rights of all individuals accused of wrongdoing; and
- 4) Adherence to the Principles and Standards for Offices of Inspector General as developed and approved by the Association of Inspectors General (May 2004).

Intake

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

- *AIG Whistleblower Hotline (216- 698-2999)* – This number is prominently displayed on the Inspector General’s website and on posters distributed throughout all County buildings.
- *Report a Concern Messages* – Individuals who click the “Report a Concern” link on the AIG and County Executive websites will be directed to an online complaint form. Submitted forms are confidentially e-mailed directly to AIG staff.
- *Contact Ed Messages* – Complaints regarding fraud, waste or abuse that are submitted to the County Executive’s “Contact Ed” program are forwarded to the AIG for review.



- *Direct Phone/Mail/Walk-In* – Individuals are always permitted to directly contact AIG staff with complaints or concerns.
- *Referral From County Officials* – County officials are encouraged to forward any complaints regarding fraud, waste or abuse to the AIG.

Triage

All complaints received by the AIG are referred to the Inspector General for preliminary review. The Inspector General, in consultation with staff, will review each complaint for the following elements:

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

After weighing each of these factors, the Inspector General will issue one of the following preliminary decisions on each case:

- *Decline Investigation for Lack of Jurisdiction* – The AIG will not investigate the allegations in the complaint because they fall outside of the jurisdiction of the AIG. When appropriate, however, the AIG will refer the complaint to the proper entity with jurisdiction to address the complaint.
- *Decline Investigation for Lack of Information* – The AIG will not initiate investigation where a complaint lacks sufficient detailed allegations of wrongdoing.
- *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 actions taken. A management inquiry is typically used when the allegations are specific, but minor if true.

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

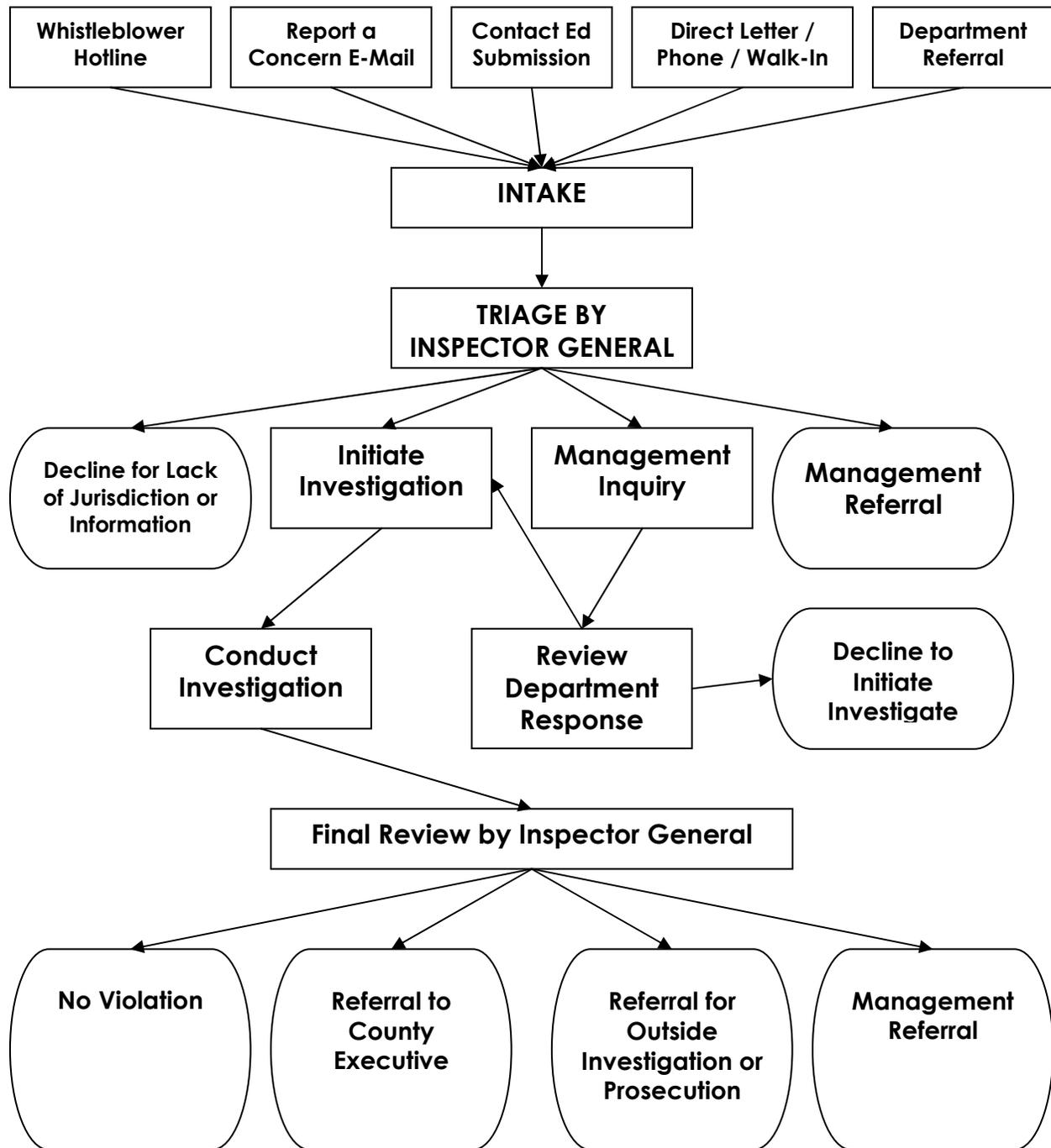
Investigation and Determination

All Investigations are conducted under the direction of either the Inspector General or Deputy Inspector General. 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* – The investigation failed to reveal sufficient evidence of any wrongdoing. A “No Violation” finding, though, may be accompanied by a Management Referral if the investigation revealed other information that requires some form of corrective action.
- *Referral for Outside Investigation/Prosecution* – When the Inspector General reasonably believes that a possible violation of any state, federal, or local law, rule, regulation, or policy has taken place, the AIG Ordinance requires that he/she notify the appropriate civil, criminal, or administrative agencies in charge with enforcement of said violation.
- *Referral to County Executive* - In the case of a possible violation of a rule, regulation, or policy governing a County employee, the AIG Ordinance requires the Inspector General to notify the County Executive and the Department of Human Resources.
- *Management Referral* – Case is referred back to Department management with corrective action recommendations.



Investigation Process Map

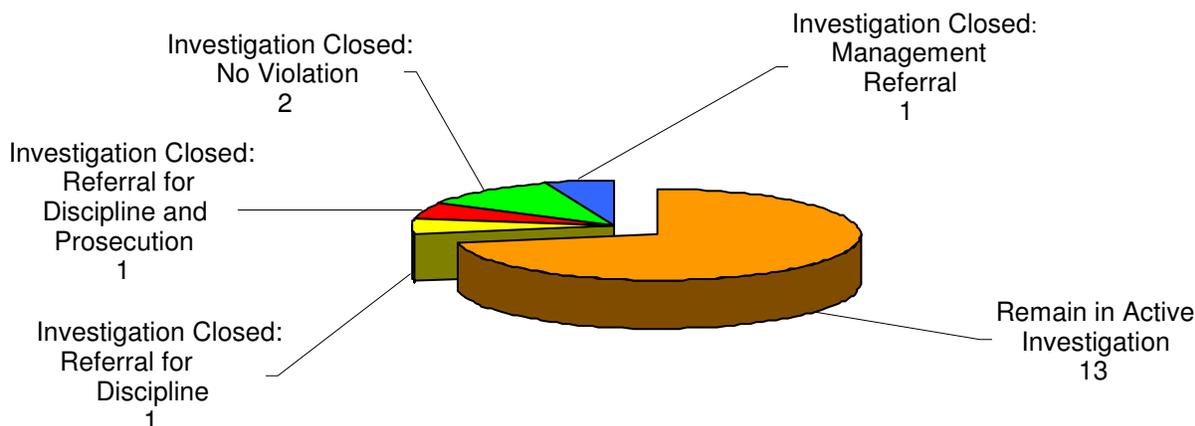


Section 3.2 INVESTIGATION STATISTICS

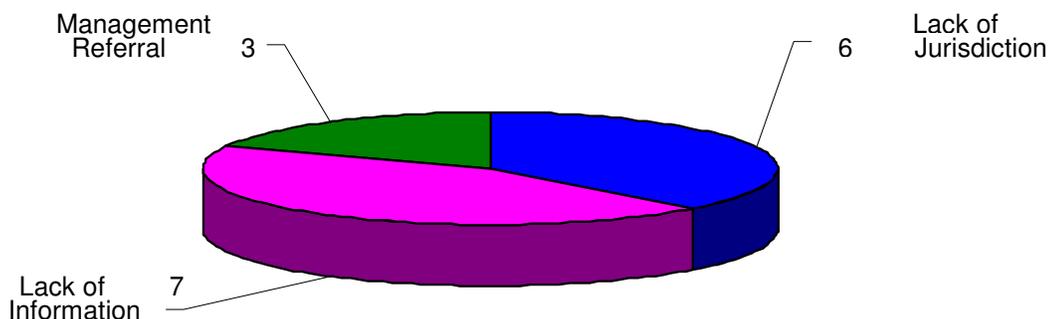
First Half of 2011

This Semi-Annual Report covers from July 1, 2011 through December 31, 2011. As of July 1, 2011, though, thirty four (34) complaints received during the first half of the year were still considered open. The following is a summary of the disposition of those thirty four (34) cases.

Initiated Investigation - 18 Complaints



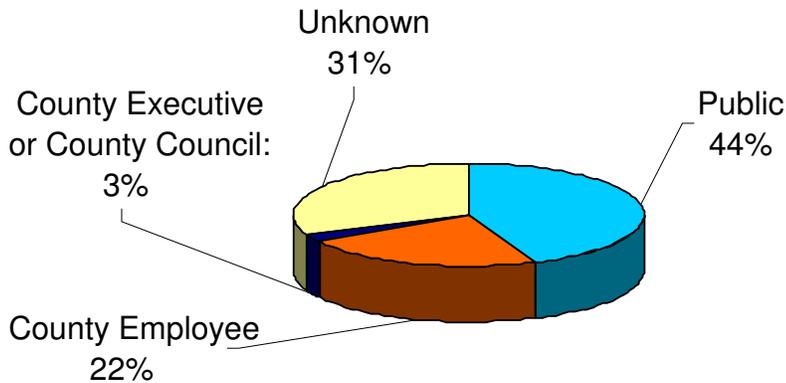
Declined Investigation - 16 Complaints



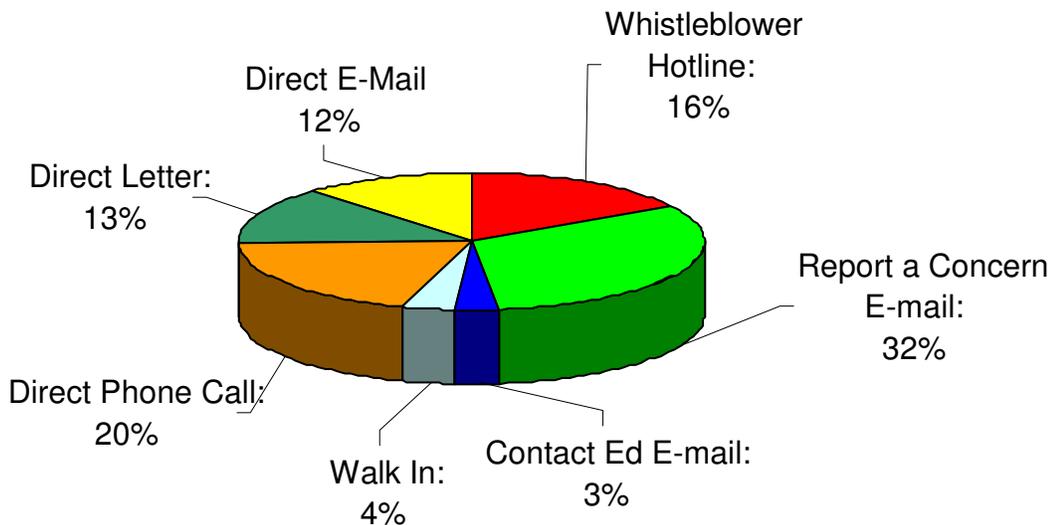
Second Half of 2011

The AIG received one hundred ninety four (194) complaints from July 1, 2011 through December 31, 2011. The following is a summary of the nature and disposition of these complaints.

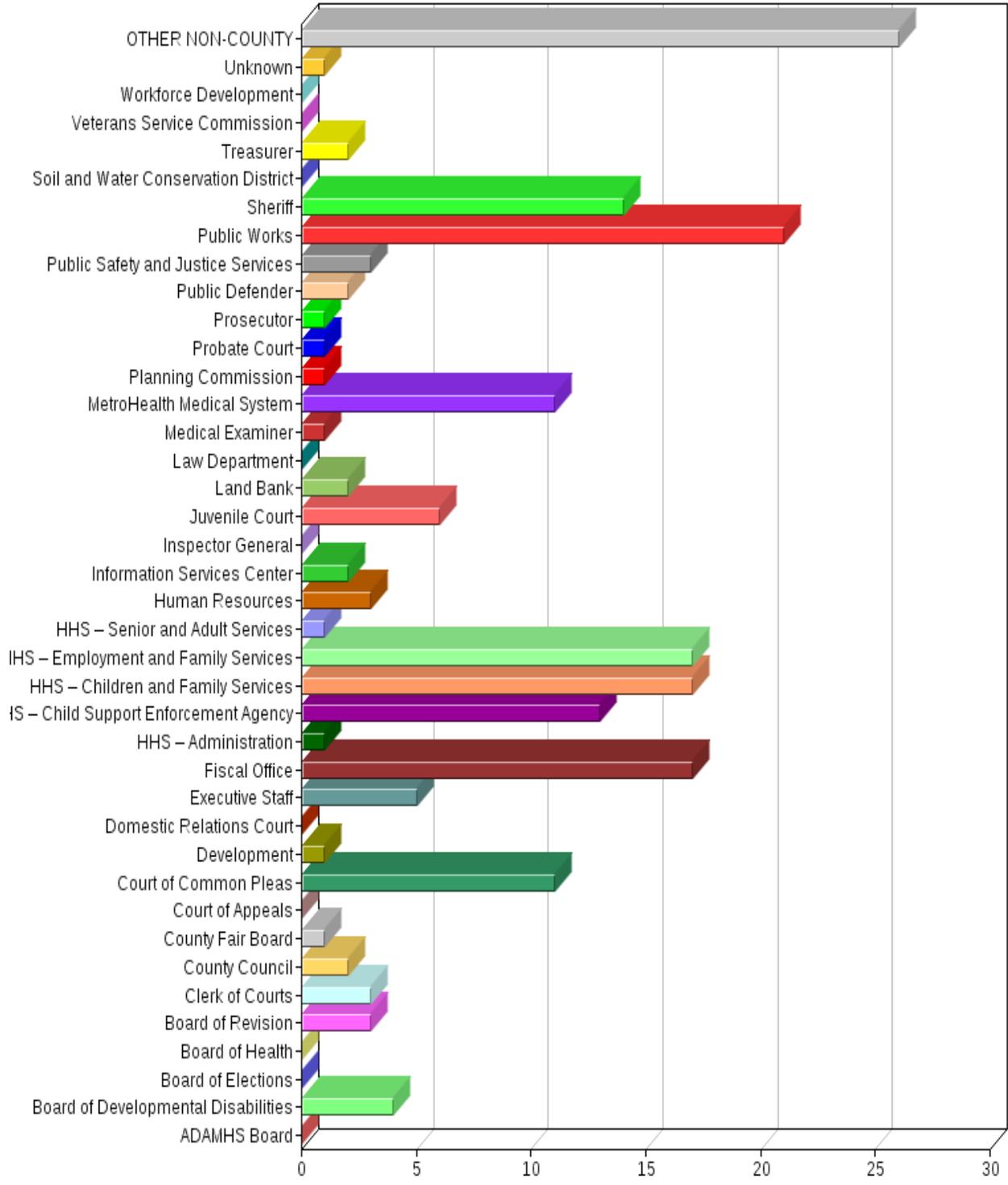
Source of Complaint



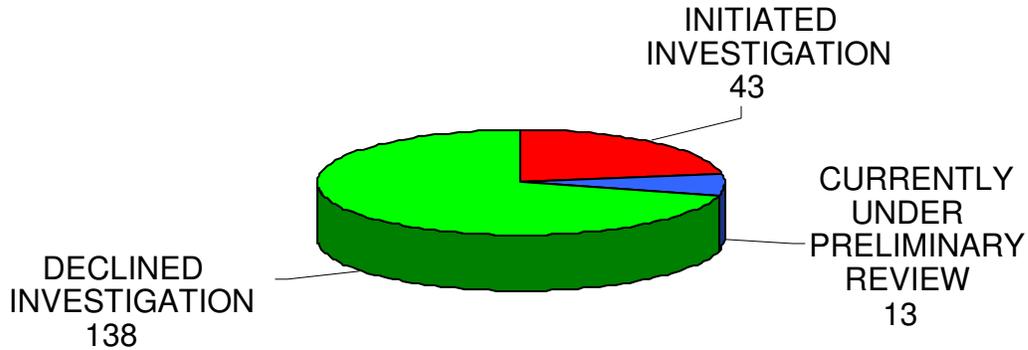
Method of Referral



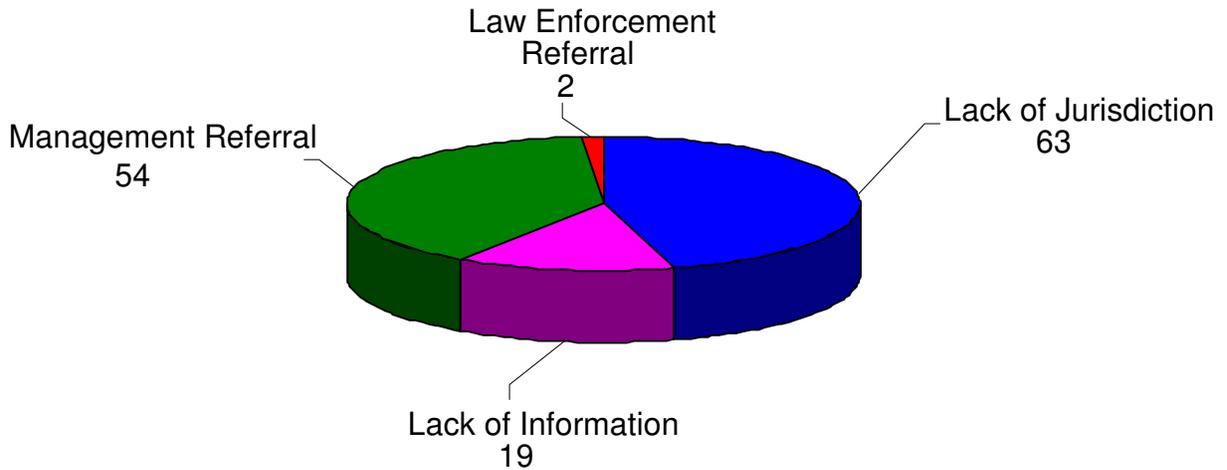
Subject Department



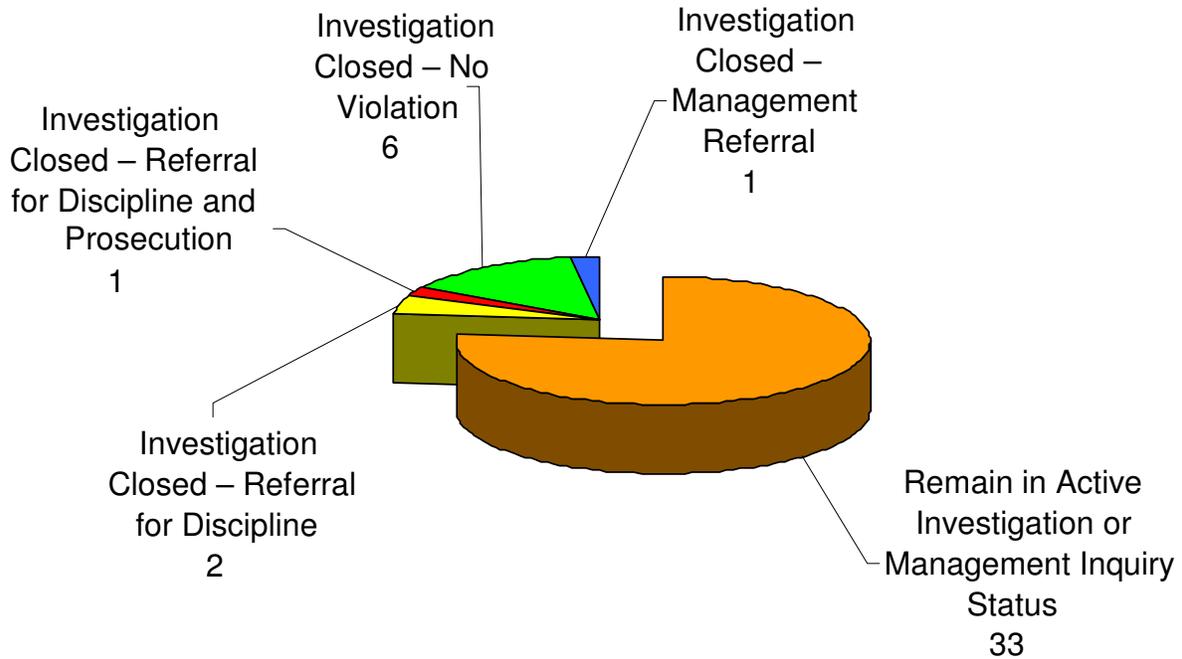
Complaint Disposition



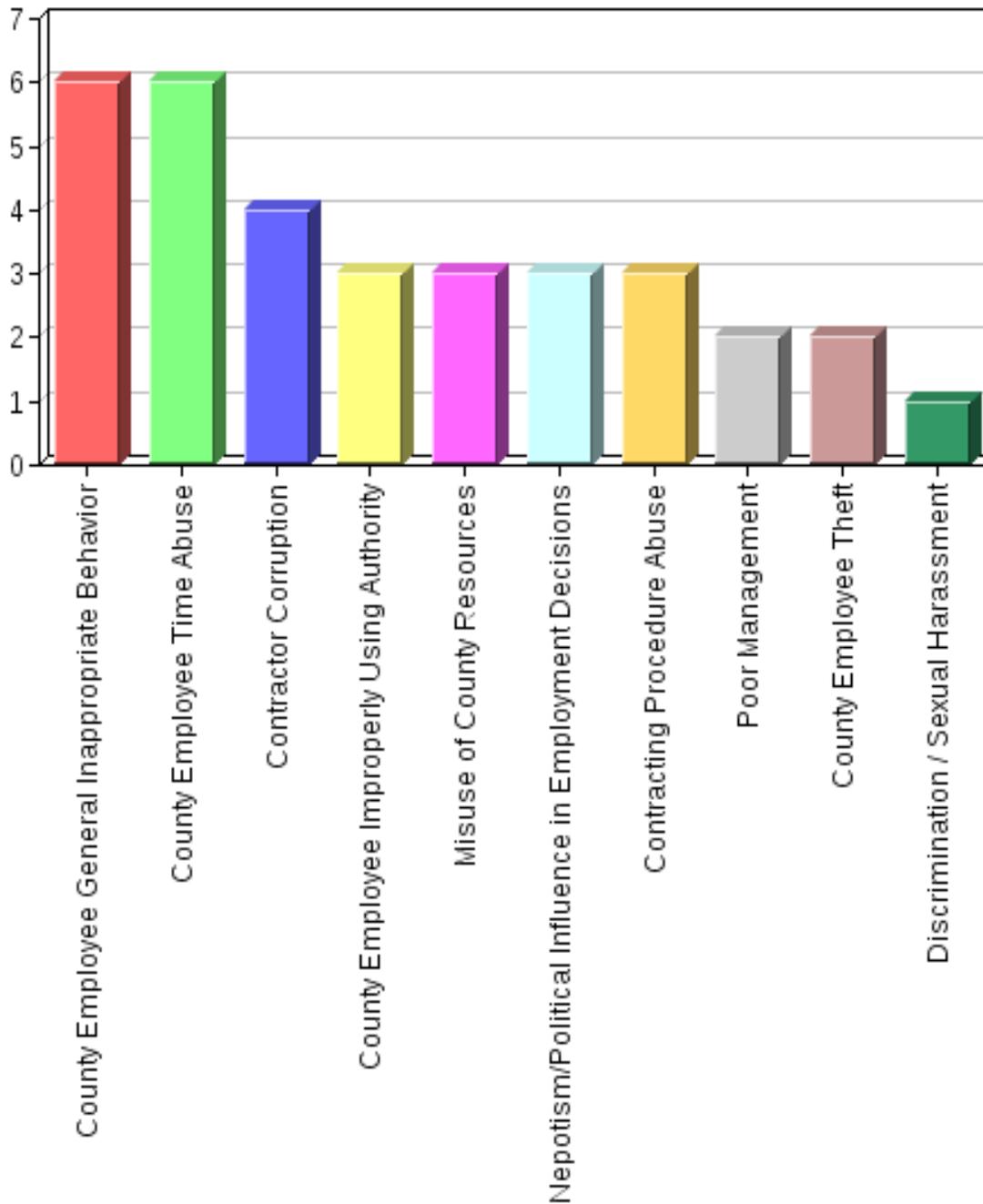
Declined Investigations



Initiated Investigations



Investigations Initiated Complaint Types



Section 3.3

SUMMARIES OF SIGNIFICANT CASES

Investigations

CASE NUMBER: INVEST-000070

SUBJECT(S) INFO:

Name: Terrance Carr
Position: Ironworker Foreman
Department: Public Works

SOURCE OF REFERRAL: Employee Complaint

METHOD OF REFERRAL: Direct E-mail

ALLEGATION(S):

- 1) Terrance Carr ("Carr") frequently visits local bars while on duty and drinks alcohol during these visits. A whistleblower stated that he/she observed Carr at a bar in Lakewood drinking alcohol during regular working hours.

- 2) The Ironworkers located in the Justice Center drink alcohol in their office while on duty. A whistleblower indicated that he/she observed an employee removing of a garbage bag full of beer cans from the Ironworkers office.

INVESTIGATION SUMMARY: Initial investigation involved a review of the three employees' punch clock and garage swipe records. Carr's records revealed over four hundred twenty four (424) hours of time in 2011 where Carr was away from his primary work location in his personal vehicle. In light of this, surveillance of Carr was conducted on five separate days. Carr was observed leaving the Justice Center and going to bars in Cleveland and Lakewood on four of the five days. Subsequent review of payroll records indicated that he was on the clock for three of these four days. In addition, investigators conducted a search of the Ironworkers office for signs of alcohol use. This search, however, failed to reveal any indication of alcohol use.



RECOMMENDATION(S):

- 1) Referral to County Executive and Human Resources Department for disciplinary action for Carr.
- 2) Issued finding of no violation for other Ironworkers.
- 3) Referral to County Prosecutor for criminal prosecution review.
- 4) Referral to Public Works Director to address supervisory neglect.
- 5) Initiation of follow-up investigation to address timekeeping issues amongst trades employees.

RESULT(S):

- 1) Carr removed from the workplace. Carr (Annual Salary - \$72,924.80) has submitted resignation effective February 25, 2012.
- 2) Criminal investigation still ongoing.
- 3) Estimated that Carr's behavior cost the County approximately \$15,000 in lost time in 2011. It is also believed that this behavior has occurred for a significant amount of time prior to 2011.

CASE NUMBER: INVEST-000002

SUBJECT(S) INFO:

Name: Linda Rybak
Position: Program Officer 4
Department: Human Resources

SOURCE OF REFERRAL: Public

METHOD OF REFERRAL: Whistleblower Phone Call

ALLEGATION(S): Linda Rybak ("Rybak") knowingly engaged in fraudulent activities that led to her improperly obtaining a promotion and increase in pay. The complainant cited to the series of newspaper articles regarding the County Corruption Investigation, wherein it is alleged that Rybak's husband, Robert Rybak, bribed former Cuyahoga County Commissioner Jimmy Dimora ("Dimora") in exchange for Dimora securing a promotion and raise for Rybak in April of 2008. Complainant alleges that Rybak's continued receipt of the benefits of this fraudulent promotion is inappropriate.

INVESTIGATION SUMMARY: The investigation consisted of a review of Rybak's personnel records, Robert Rybak's plea agreement with the Federal Government, and transcripts from the Dimora trial. The information contained in these documents demonstrated that Rybak did actively conspire with her



husband, Dimora, former County employee J. Kevin Kelley, and former Cuyahoga County Commissioner Peter Lawson Jones to improperly secure a promotion and raise in salary.

RECOMMENDATION(S):

- 1) Referral to County Executive and Human Resources Department for disciplinary action.

RESULT(S):

- 1) Rybak (Annual Salary - \$53,726.40) was terminated effective February 14, 2012.

CASE NUMBER: INVEST-000153

SUBJECT(S) INFO:

Name: Mark Lime
Position: Chief of Criminal Division
Department: Clerk of Courts

SOURCE OF REFERRAL: Public

METHOD OF REFERRAL: Walk-In

ALLEGATION(S): Complainant alleged that the director of the criminal division, Mark Lime ("Lime"), stole at least \$2000 in cash bond forfeiture payments over the past 12 months.

INVESTIGATION SUMMARY: The investigation involved witness interviews, review of security camera tapes, and examination of applicable records. The investigation revealed sufficient evidence that Lime was engaging in a pattern of stealing cash bond forfeiture payments. Videotape evidence clearly documented Lime's acceptance of cash payments and his failure to turn the cash over to the cashiers. The investigation also revealed evidence that Lime was stealing cash criminal reparation fee payments on a periodic basis.

RECOMMENDATION(S):

- 1) Referral to County Executive and Human Resources Department for disciplinary action.
- 2) Referral to County Prosecutor for criminal prosecution review.
- 3) Referral to Clerk of Courts to review cash handling procedures.



RESULT(S):

- 1) Lime's (Annual Salary - \$60,582.07) employment was terminated effective September 16, 2011.
- 2) Criminal investigation still ongoing.
- 3) Although it is unclear the exact amount that Lime stole, it is clear that Lime stole a minimum of \$2,500 in bond forfeiture payments in the twelve months prior to his termination. It is believed, though, that Lime stole a significant additional amount of cash criminal reparation fee payments.

CASE NUMBER: INVEST-000111

SUBJECT(S) INFO:

Name: Tracie Washington
Position: Program Officer 2 (Mediator)
Department: Public Safety and Justice Services (Mediation)

SOURCE OF REFERRAL: Public

METHOD OF REFERRAL: "Contact Ed" E-Mail

ALLEGATION(S): Complainant owns a home on Cleveland's near west side. Complainant alleged that her neighbors have been engaged in an ongoing pattern of harassing behavior towards herself and her sister. The neighbors resided in a home that is owned by the Cuyahoga Metropolitan Housing Authority ("CMHA") through a "scattered site" low income public housing program. This harassing behavior was exacerbated by the alleged participation of a County employee named Tracie Washington ("Washington"). Washington allegedly was using her position with the County to threaten Complainant.

INVESTIGATION SUMMARY: The investigation involved witness interviews and review of security camera tape provided by Complainant. The security videotape confirmed that Washington made several threats to Complainant that involved her County employment (e.g., "I work for the County...I know the law...I'll have the County at your door tomorrow."). The videotape also showed that Washington flashed her County Identification Badge to Complainant in a threatening manner (i.e., "look at this, I work for the County").

RECOMMENDATION(S):

- 1) Referral to County Executive and Human Resources Department for disciplinary action.
- 2) Referral to CMHA Police Department for investigation.



RESULT(S):

- 1) Washington's (Annual Salary - \$ 40,331.20) employment was terminated effective January 12, 2012.
- 2) CMHA police completed an investigation and successfully evicted Complainant's neighbors.

Reviews

ISSUE NAME: The Friends of the Monument Donations

DEPARTMENT INVOLVED: Soldiers and Sailors Monument

SOURCE OF REFERRAL: County Council

ISSUE SUMMARY: The Cuyahoga County Soldiers and Sailors Monument (the "Monument") is maintained by the Soldiers and Sailors Monument Commission (the "Commission") which was created by Chapter 345 of the Ohio Revised Code. By law the Commission is prohibited from raising money for the Monument. Therefore, the Commission created a 501 (C) (3) in the name of The Friends of the Monument ("The Friends"). The Friends is able to raise money to maintain the Monument.

In 2005, a restoration project was undertaken on the Monument. The County provided approximately two million dollars (\$2,000,000) from the General Fund to fund the project. The County provided the funding to The Friends with the understanding that the money would be reimbursed. All money was to be used solely for renovations costs associated with the Monument.

The Friends received additional funds for this project from grants and donations. Specifically, a grant from the State of Ohio for five hundred thousand dollars (\$500,000) was given to The Friends in late 2010 or early 2011. This grant was given through the Ohio Cultural Facilities Commission (the "OCFC Grant"). Over \$250,000 was also donated to The Friends. This money was specifically earmarked to pay for renovations. The National Park Service also provided ninety-eight thousand dollars (\$98,000) (the "NPS Grant") to The Friends.

Funds from the OCFC Grant eventually were returned to the County. Funds from other donations and from the NPS Grant have not been returned to the County.

The Friends maintain a bank account with UBS Bank which holds the funds that are due to the County. As of the June 2011 banking statement, the balance in that account totals \$253,083.96. The bank statements contain numerous transactions indicating that the money in the account is used to pay non-renovation related expenses such as electric bills, copying costs and toner, plants, and insurance.

Neil Evans, the former President of the Board of Directors of both the Commission and The Friends, agrees that the money from the UBS account should be returned to the County. Also, in a letter dated May 23, 2011, Council President C. Ellen Connally expressed her belief that the County is entitled to the money in The Friends' account.

RECOMMENDATION(S):

- 1) Issued letter to Law Director on August 26, 2011 recommending that the Law Department send a demand letter to the Friends seeking reimbursement of the remaining funds in the UBS bank account.

RESULT(S):

- 1) The Law Department attempted to negotiate a resolution of this issue. When negotiations failed, the Law Department issued a letter to the Friends on January 6, 2012 demanding return of the approximately \$260,000 owed to the County.

ISSUE NAME: Sheriff Appraiser's Property Tax Debt

DEPARTMENT INVOLVED: Sheriff / Executive Staff

SOURCE OF REFERRAL: Anonymous

ISSUE SUMMARY: The AIG received an allegation that a candidate for an appraisal position in the Sheriff's Department has over \$50,000 in property tax debt. Subsequent investigation revealed that this individual owed in excess of \$16,000 in delinquent property taxes and owned several properties currently in foreclosure. The investigation also revealed that the individual had close business relationships with an individual charged in the County Corruption Investigation.



RECOMMENDATION(S):

- 1) Referred information obtained during investigation to Executive Staff for review.

RESULT(S):

- 1) As of the date of this report, the candidate has not received a contract for appraisal services.



SECTION 4: ETHICS COMPLIANCE

4.1 ETHICS REQUIREMENTS

4.2 ETHICS STATISTICS



Section 4.1

ETHICS REQUIREMENTS

Introduction

As previously noted in Section 1.3, Article 9 of the Ethics Ordinance officially designates the Inspector General as the ethics investigative officer for the County and requires the Inspector General to conduct all investigations pertaining to the Ethics Ordinance. In addition to the investigatory mandate, the Ethics Ordinance requires the Inspector General to perform additional disclosure and/or prevention functions.

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

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

Investigation and Enforcement

Ethics complaints undergo the same triage and investigation process as general fraud/waste/abuse complaints (See Section 3.1). The AIG's jurisdiction to investigate ethics complaints, however, is larger than its general investigative jurisdiction. The AIG's ethics jurisdiction includes employees of the County Council and County Prosecutor.

Ethics investigations that result in a finding that the ordinance has been violated are remedied in accordance with the enforcement powers granted to the AIG by the Ethics Ordinance. These enforcement powers are specifically described in Section 1.3 above.



Review and Advise

An essential element in creating a culture of ethical behavior is to provide a mechanism for officials and employees to seek advise prior to taking an action that may be unethical. Accordingly, the Ethics Ordinance mandates certain County officials and employees seek a ruling from the AIG prior to engaging in any of the following activities:

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

In addition, the AIG will offer specific or general guidance upon request on other ethics-related issues, including the following:

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

Disclosure

"Sunlight is said to be the best of disinfectants" – Justice Louis Brandeis

Transparency is widely accepted as one of the most effective means to prevent corruption in government. Accordingly, the Ethics Ordinance requires the AIG to manage the following public disclosure programs:

- 1) *County Contractor Registry* – All contractors/vendors doing business with the County are required to register with the AIG. This registry is required to be posted on the AIG website.
- 2) *County Lobbyist Registry* – All individuals/entities seeking to lobby County officials or employees must register with the AIG. This registry is required to be posted on the AIG website.
- 3) *Financial Disclosure Reports* - Certain County officials and employees are required to file financial disclosure statements with the AIG. The reports are maintained by the AIG and are available for review.



- 4) *Campaign Finance Reports* - The AIG is required to obtain all campaign finance reports and financial disclosure statements for all candidates for County elected office. The reports are maintained by the AIG and are available for review.

Training

Although not specifically required to do so, the AIG has established an ethics training program for all County contractors/vendors and lobbyists. The training program is a joint effort between the AIG and the Cleveland Office of the U.S. Attorney. The training program provides attendees with specific guidance on ethical business practices and the avoidance of improper methods of soliciting business from County officials and employees. County contractors/vendors and lobbyists are required to attend this training program as a prerequisite for conducting business with the County.



Section 4.2 ETHICS STATISTICS

Review and Advise

The following is a summary of the type and number of requests for ethics review received by the AIG from July 1, 2011 through December 31, 2011:

Type of Request for Review	Number Received
Secondary Employment	98
Political Activity	68

During this timeframe, the AIG issued the following two broad ethics advisory opinions³⁹:

IGADV-0001

Attendance at Non-Profit Fundraiser

Provided that the parameters set forth in this opinion are adhered to, Section 6 of Article 2 of the Cuyahoga County Ethics Ordinance does not prohibit a public official's or employee's attendance at the Greater Cleveland Partnership's 48th Annual Public Officials Reception.

IGADV-0002

Holiday Gifts

- 1) *A person/entity that is doing or seeking to do business with the County or is regulated by the County generally may provide a holiday gift of nominal or de minimis value to a County official or employee, provided certain conditions are met.*
- 2) *A County official/employee or group of County employees generally may accept a holiday gift of nominal or de minimis value from a person/entity that is doing or seeking to do business with the County or is regulated by the County, provided certain conditions are met.*
- 3) *Provided the holiday gift was not given in exchange for an improper reason (e.g., in exchange for political support), there is no prohibition in the Ethics Ordinance that would prevent a County employee from giving a holiday gift to a subordinate employee.*

³⁹ Full copies of the opinions are available on the AIG website.



- 4) *A County employee is not prohibited from giving a holiday gift to an employee in their direct chain of supervision provided certain conditions are met.*

In addition to the broad advisory opinions, the AIG also issued specific opinions to officials/employees regarding several issues, including, but not limited to, the following:

- Service on a non-profit board of directors for an entity that does business with the County.
- Attendance at a public officials/employees reception.
- Attendance by County employee at a complementary continuing legal education seminar provided by a law firm.
- Acceptance of various gifts.
- County employees bidding on items sold at County-sponsored auction.
- Classified County employee fundraising for a partisan political candidate.
- County employee campaign donations to their employer.

Disclosure

The largest disclosure project undertaken by the AIG in 2011 was the contractor registration program. As previously noted, the program requires all contractors or vendors doing business with the County to register with the AIG. The following is a summary of the AIG's progress on the contractor registry program:

- 1412 contractors/lobbyist are fully registered with the AIG as of February 20, 2012.
- The AIG worked with County Council to establish an exemption process for certain types of contractors.
- The AIG mailed several thousand correspondences to current and potential contractors informing them of the new registration requirements.
- The AIG posts a current list of registered contractors on its website on a daily basis.



Training

The AIG has provided ethics training to 1499 contractors/lobbyists as of February 20, 2011. The training program continues to be offered on a bi-weekly basis.



SECTION 5: 2012 GOALS



2012 GOALS

- *Increased Focus on Elimination of Waste and Inefficiency* – The AIG is currently in the process of screening applicants for a management auditor position. In addition to supporting fraud investigations, the management auditor will focus on performance audits to identify waste and inefficiency.
- *Increased Contract Oversight* – The AIG anticipates focusing increased resources on contract monitoring and controls.
- *County Employee Driver's License Audits* - The AIG will implement its driver's license audit program in 2012. The program will ensure that all employees driving vehicles in the course of County business have a valid license and liability insurance.
- *Nepotism Audit* – The AIG is reviewing all employee nepotism disclosure forms to identify management relationships that violate the Ethics Ordinance. The AIG anticipates releasing its findings in the first-half of 2012.
- *Implementation of AIG Case Management Program* – The AIG is currently in the process of procuring case management software specifically tailored to the needs of an Inspector General office. This program will significantly increase the AIG's efficiency in processing cases and will allow for more specific reporting of data.
- *Contractor Registry Enhancements* – The AIG plans to enhance the contractor registry to increase transparency. Proposed enhancements include web-based disclosure of contract amounts and links to political contributions and lobbyist activities.

