2026-2027 Biennium Budget Testimony Before the Government Oversight and Reform Committee April 29, 2025 Presented by Randall J. Meyer, Inspector General

Good morning, Chairman Susan Manchester, Vice Chairman Andrew Brenner, Ranking Member Casey Weinstein, and Distinguished Members of the Committee. I am Randall Meyer, Inspector General for the state of Ohio, and I am pleased to appear before the committee to discuss the Office of the Inspector General's budget for fiscal years 2026 and 2027.

The Inspector General Office's mission is to serve as an independent watchdog for the state of Ohio and to identify fraud, waste, and abuse in the executive branch of state government. The jurisdiction of the office extends to the Governor and his staff, agencies, boards, commissions, state universities, and medical colleges who in total employ more than 130,000 employees. The office's jurisdiction also includes vendors and contractors who conduct business with the state of Ohio. The Inspector General's Office investigates and makes recommendations concerning alleged wrongful acts and omissions; identifies weaknesses of state processes; and develops and promotes improvements on the procedures used by the executive branch of state government. Since my appointment in 2011, the office has released over 790 reports of investigation, issued 1,614 recommendations to agencies, and identified over \$¼ billion dollars lost to the state of Ohio.

During the last four years, the office's resources were focused on investigating the fraudulent disbursement of millions of tax-payer dollars involving the Ohio Department of Job and Family Services and the Pandemic Unemployment Assistance program. The Pandemic Unemployment Assistance program was established to provide unemployment benefits to Ohioans who lost their jobs because of the COVID pandemic. Because of the large number of unemployment claims submitted and loosened eligibility requirements, bad actors found new ways to exploit opportunities for fraud. After disbursing approximately \$7.6 billion in pandemic-related unemployment benefits during fiscal year 2021 alone, ODJFS later identified nearly half a billion dollars of the disbursals as fraudulent.

Between 2021 and 2024, the office opened 23 investigations related to the Pandemic Unemployment Assistance program. Significant staff resources were assigned to these cases to perform various investigative actions including issuing subpoenas for records,

completing forensic analysis, conducting interviews, assisting in search warrants, administering prolonged surveillance of targeted individuals, and collaborating with state and federal partners and local prosecutors. Last year, five of these cases were completed and released by the office, identifying a total loss of \$13.3 million to the State of Ohio. To date, the Inspector General's Office has completed and released 14 reports of investigation specifically related to the abuses of the PUA program, identifying over \$20.5 million lost and 95 criminal charges issued. In some instances, these cases have resulted in indictments for multiple offenses including first- and second-degree felonies that carry up to 10 and eight years in prison, respectively.

Budget Appropriation Request

The Inspector General's Office receives funding from three different revenue sources: the General Revenue Fund and two transfers; one from the Ohio Department of Transportation, and the other from the Ohio Bureau of Workers' Compensation and Industrial Commission. During my tenure as Inspector General, the office has managed its budget conservatively, ensuring that its operations function efficiently and effectively to meet its statutory requirements. The office is driven by a staff of 17 professionals who are needed to conduct its various, wide-ranging investigations. Over 80 percent of our budget is related to payroll costs. The remainder is used for a wide variety of costs directly associated with investigations such as IT hardware and software applications, office rent, fleet vehicles, telecommunications, staff trainings, professional certifications and licenses, and miscellaneous supplies. The office's requested appropriation for the 2026-2027 biennium is sufficient to support current staff and maintain the level of oversight needed for the state of Ohio.

Conclusion

For 35 years, the Inspector General's Office has been entrusted to investigate, without bias and outside influence, instances of fraud, waste, and abuse committed by public officials, private persons, and entities doing business with the state. The responsibilities tasked to the Inspector General's Office by the General Assembly and Governor are critical in ensuring state of Ohio employees and those doing business with the state conduct themselves ethically and perform their duties with integrity and with the highest of standards. Our office is dedicated to fulfilling its statutory obligations and safeguarding integrity in state government.

Respected members of the committee, I would like to thank you for the opportunity to testify today and I am pleased to answer any questions you may have.