



STATE OF OHIO  
**OFFICE OF THE INSPECTOR GENERAL**

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RANDALL J. MEYER, INSPECTOR GENERAL

**2022-2023 Biennium Budget Testimony  
Before the Ohio House of Representatives  
Finance Subcommittee on Higher Education  
February 25, 2021  
Presented by Randall J. Meyer, Inspector General**

Good morning Chairman Jon Cross, Ranking Member Stephanie Howse, 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 2022 and 2023.

Office Overview

First, I would like to recognize an important milestone in the history of the Ohio Inspector General's Office. On August 1, 1990, the Ohio General Assembly approved, and the governor signed into law, legislation which permanently established the Inspector General's Office. The office was tasked to serve as an independent watchdog for the state of Ohio, identifying fraud, waste, and abuse in government operations. The jurisdiction of the office is limited to the executive branch of state government and extends to the Governor and his staff; state agencies, departments, boards, and commissions; state universities and medical colleges; and vendors and individuals who do business with the state. For 30 years, the Inspector General's Office has conducted over 1500 investigations; identified weaknesses of state processes through monitoring and reporting; and developed and promoted improvements on the procedures used to conduct business in state government. Since my appointment in 2011, the office has collectively released over 700 reports of investigation resulting in 96 criminal charges, issued 1,320 recommendations to agencies, and identified over \$¼ billion dollars lost to the state of Ohio.

Budget Appropriation Request

For over a decade, our office has consistently and responsibly managed its fiscal year budget appropriations. I routinely evaluate caseloads and staff resources to meet ever-shifting operational needs with available funds. With a small staff subsidized by a nominal budget, our office has conducted notable investigations that have generated

significant returns. For example, a series of investigations released by our office in 2018 and 2019 identified procurement issues involving millions of tax-payer dollars and exposed criminal acts impacting various state agencies. These reports contained recommendations, that if implemented, would improve the state's purchasing practices and markedly reduce fraud and the amount of waste associated with state contracts. It is these types of investigations that increases accountability of taxpayer dollars and the public's trust.

The mission of the Inspector General's Office is accomplished by its staff. Qualified, experienced professionals are needed to conduct its various, wide-ranging investigations in an ever-changing landscape of state government. More than 75 percent of the office's program expenditures are related to payroll costs and employee benefits. The office's overall staffing level has remained flat for the last eight years ... varying between 16 and 17 permanent employees ... down from the office's historical staff-peak of 23 employees in 2011. For fiscal years 2020 and 2021, the office's approved appropriations funded 17 permanent full-time positions. However, prior to the COVID 19 pandemic, one investigator resigned, and one investigator passed-away. The office was unable to fill these two positions due to the state's hiring freeze necessitated by the financial ramifications of the pandemic. Consequently, this left the Inspector General's Office with two unfilled investigator positions and a significant amount of appropriation left *unspent* that had been projected to be expended during fiscal years 2020 and 2021. As a result, the office's current staffing level is only 14 full-time and one part-time permanent employees.

The Inspector General's Office receives funding from three different revenue sources: the General Revenue Fund (GRF) and two transfers; one from the Ohio Department of Transportation, and the other from the Ohio Bureau of Workers' Compensation and Industrial Commission. The GRF appropriation levels recommended for the 2022 and 2023 biennium budget is a reduction of appropriation levels approved for the current biennium budget. Specifically, when compared to the current fiscal year, the GRF appropriation level recommended for fiscal year 2022 is a decrease of \$105,671, and the recommended GRF appropriation level for fiscal year 2023 is a decrease of \$72,581. Aside from the 2016 budget increase which was provided to negate the newly implemented cost of rent charged to agencies in state-owned buildings, the office's average GRF appropriation for the last 10 years has remained essentially flat when compared to fiscal year 2011. The funds transferred from the Ohio Department of Transportation and the Ohio Bureau of Workers' Compensation and Industrial Commission has remained the same since 2007 ... the year the two funds were first established.

If the GRF appropriation levels recommended for fiscal years 2022 and 2023 are approved, it will only support our office's current staffing level. While the recommended decrease in GRF funding may not seem significant, it will negatively cut the investigative staffing level of this office by 25%. The impact of this reduction will adversely affect our investigative output and the timeliness of our investigations. As noted in the Redbook and in our budget submission to the Office of Budget and Management, the office needs at least 16 permanent employees to provide a minimum level of oversight to meet its mission and statutorily required obligations. Because recurrent increases in

personal services costs negatively affect the budget each year, we estimated \$3.0 million in GRF funding would be required to support these 16 positions over the biennium.

I recognize that agencies must assist the state in its efforts to close the budgetary shortfall caused by the COVID-19 pandemic. However, I also recognize the pandemic has generated new opportunities for fraud, waste, and abuse. For these reasons, I believe a reduction in funding may seriously lessen the level of oversight provided by this office to meet its mission and statutory obligations.

### Conclusion

In conclusion, I am committed to safeguarding integrity in state government and fulfilling the statutory obligations of this office. While I believe most state employees and public officials are hardworking, honest, and trustworthy individuals, the responsibilities that the General Assembly and Governor have tasked me and my staff are critical in ensuring state of Ohio officials, employees, and those doing business with the state conduct themselves ethically and perform their duties with integrity and with the highest of standards.

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