

# **LSC Greenbook**

**Analysis of the Enacted Budget**

**Office of the Inspector General**

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July 2011

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**ATTACHMENT:**

Budget Spreadsheet By Line Item

# Office of the Inspector General

- Budget split: 46% GRF, 54% non-GRF
- Payroll-related expenses roughly 75% of total budget
- Casino money reappropriated

## OVERVIEW

### Duties and Responsibilities

The Office of the Inspector General, created by executive order in 1988, investigates fraud, waste, abuse, corruption, and conflict of interest within the executive branch of state government and, as appropriate, issues a report with recommendations. The jurisdiction of the Inspector General includes the Governor (and staff), state agencies, departments, boards, commissions, and any other entities appointed, employed, controlled, directed, or subject to the authority of the Governor. Specifically excluded from the Inspector General's jurisdiction are the Ohio General Assembly, Ohio courts, the Offices of Secretary of State, Auditor, Treasurer, Attorney General, their staff and employees, and state community colleges.

The Inspector General employs a full-time staff of 20. This staff is generally organized into four areas or divisions: (1) Bureau of Workers' Compensation, (2) Ohio Department of Transportation, (3) American Recovery and Reinvestment Act, and (4) General. The first three divisions include statutorily designated deputy inspectors general; the fourth investigates all other cases and handles daily operations.

### Appropriation Summary

Table 1 below summarizes the Inspector General's FY 2012-FY 2013 budget in comparison to FY 2011 expenditures. The split between General Revenue Fund (GRF) and non-GRF moneys appropriated from accounts in the General Services Fund Group is 46% and 54%, respectively. Roughly 75% of the total annual budget will be allocated for payroll-related expenses.

Table 1. Inspector General Appropriations by Fund Group, FY 2012-FY 2013 (Am. Sub. H.B. 153)					
Fund Group	FY 2011*	FY 2012	% change, FY 2011-FY 2012	FY 2013	% change, FY 2012-FY 2013
General Revenue	\$1,025,563	\$1,124,663	9.7%	\$1,125,598	0.1%
General Services	\$1,193,632	\$1,345,837	12.8%	\$1,346,535	0.1%
<b>TOTAL</b>	<b>\$2,219,195</b>	<b>\$2,470,500</b>	<b>11.3%</b>	<b>\$2,472,133</b>	<b>0.1%</b>

\*FY 2011 figures represent actual expenditures.

## **ANALYSIS OF ENACTED BUDGET**

Summarized in Table 2 below are the appropriations for four of the line items that will be used to pay for the Inspector General's FY 2012-FY 2013 biennial operating expenses. The table is followed by a narrative describing how each appropriated amount will be used. Assuming that the number and complexity of the complaints filed and investigations initiated do not noticeably increase over the course of FYs 2012 and 2013, these appropriations should be sufficient for the Office of the Inspector General to perform its statutorily required duties and responsibilities. Also noted in the narrative below is money made available for the performance of the Inspector General's casino-related duties.

<b>Table 2. Inspector General Appropriations</b>				
<b>Fund</b>		<b>ALI and Name</b>	<b>FY 2012</b>	<b>FY 2013</b>
<b>General Revenue Fund</b>				
GRF	965321	Operating Expenses	\$1,124,663	\$1,125,598
<b>General Revenue Fund Subtotal</b>			<b>\$1,124,663</b>	<b>\$1,125,598</b>
<b>General Services Fund Group</b>				
5FA0	965603	Deputy Inspector General for ODOT	\$400,000	\$400,000
5FT0	965604	Deputy Inspector General for BWC/OIC	\$425,000	\$425,000
5GI0	965605	Deputy Inspector General for ARRA	\$520,837	\$521,535
<b>General Services Fund Group Subtotal</b>			<b>\$1,345,837</b>	<b>\$1,346,535</b>
<b>Total Funding: Inspector General</b>			<b>\$2,470,500</b>	<b>\$2,472,133</b>

### **Operating Expenses (GRF line item 965321)**

This GRF line item pays for operating costs of the Inspector General's General Division, including public records requests. Responding to such requests can be a time and labor intensive process, as the Inspector General has to ensure that certain (e.g., personal) information is redacted. As necessary, the line item may also be used to cover costs incurred by the deputy inspectors general for Transportation, Workers' Compensation, and the American Recovery and Reinvestment Act of 2009.

The budget appropriates \$1,124,663 in FY 2012, an increase of 9.7% over FY 2011 spending, and \$1,125,598 in FY 2013, an increase of 0.1% over the FY 2012 appropriation.

### **Deputy Inspector General for ODOT (GSF line item 965603)**

This GSF line item pays the operating expenses associated with the statutorily designated Deputy Inspector General for Transportation. This deputy inspector general is responsible for: (1) investigating wrongful acts or omissions by Ohio Department of Transportation employees and (2) conducting a program of random review of the

processing of contracts associated with building and maintaining the state's infrastructure.

The line item's appropriation of \$400,000 in each fiscal year is supported by transfers of cash from the Department of Transportation's budget to the Deputy Inspector for ODOT Fund (Fund 5FA0). The temporary law provision authorizing those cash transfers is part of Am. Sub. H.B. 114 of the 129th General Assembly. Section 512.30 of that bill requires the Director of Budget and Management to make transfers of cash totaling \$400,000 in each year from the Highway Operating Fund (Fund 7002) to Fund 5FA0. This provision also permits, as necessary, the Inspector General, with the consent of the Director of Budget and Management, to seek Controlling Board approval for additional transfers of cash and to increase the amount appropriated from the Deputy Inspector General for ODOT in the amount of the additional transfers.

#### **Deputy Inspector General for BWC/OIC (GSF line item 965604)**

This GSF line item pays the operating expenses associated with the statutorily designated Deputy Inspector General for the Bureau of Workers' Compensation (BWC) and the Ohio Industrial Commission (OIC). This deputy inspector general is responsible for investigating wrongful acts or omissions that have been committed by, or are being committed by, officers or employees of either of those two state agencies.

The \$425,000 appropriation in each fiscal year is supported by transfers of cash from the Workers' Compensation Fund (Fund 7023) to the Deputy Inspector General for the Bureau of Workers' Compensation and Industrial Commission Fund (Fund 5FT0). The temporary law provision authorizing those cash transfers is part of Sub. H.B. 123 of the 129th General Assembly. Section 221 of that bill requires the Director of Budget and Management to make transfers of cash totaling \$425,000 in each year from Fund 7023 to Fund 5FT0. This provision also permits, as necessary, the Inspector General to seek Controlling Board approval for additional transfers of cash and to increase the amount appropriated from the Deputy Inspector General for the Bureau of Workers' Compensation and Industrial Commission in the amount of the additional transfers.

#### **Deputy Inspector General for ARRA (GSF line item 965605)**

This GSF line item pays the operating expenses associated with the statutorily designated Deputy Inspector for Funds Received through the American Recovery and Reinvestment Act of 2009. This deputy inspector general is responsible for: (1) monitoring relevant state agencies' distribution of funds received from the federal government under ARRA, (2) investigating all wrongful acts or omissions committed by officers or employees of, or contractors with, relevant state agencies with respect to ARRA money, and (3) conducting a program of random review of the processing of contracts associated with ARRA projects.

The line item's appropriation of \$520,837 in FY 2012 and \$521,535 in FY 2013 will largely be supported by transfers of cash by the Director of Budget and Management from the GRF to the Deputy Inspector General for Funds received through the American Recovery and Reinvestment Act of 2009 (Fund 5G10). The temporary law provision requiring those cash transfers is contained in Section 305.10 of Am. Sub. H.B. 153 of the 129th General Assembly.

**Casino Investigations (SSR line item 965609)**

The recently created Ohio Casino Control Commission is subject to the investigatory jurisdiction of the Office of the Inspector General. To pay for the performance of the Inspector General's casino-related duties, Section 19 of Am. Sub. S.B. 181 of the 128th General Assembly appropriated \$250,000 in FY 2011 from the Casino Control Commission Operating Fund (Fund 5HS0) to line item 965609, Casino Investigation. Section 305.10 of Am. Sub. H.B. 153 contains a temporary law provision that reappropriates the unexpended, unencumbered balance of that appropriation at the end of FY 2011 to the same line item for FY 2012 to be used for the performance of the Inspector General's casino-related duties.

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# FY 2012 - FY 2013 Final Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Appropriations FY 2012	FY 2011 to FY 2012 % Change	Appropriations FY 2013	FY 2012 to FY 2013 % Change
<b>Report For Main Operating Appropriations Bill</b>			<b>Version: Enacted</b>					
<b>IGO Office of the Inspector General</b>								
GRF	965321	Operating Expenses	\$ 1,102,156	\$ 1,025,563	\$ 1,124,663	9.66%	\$ 1,125,598	0.08%
<b>General Revenue Fund Total</b>			<b>\$ 1,102,156</b>	<b>\$ 1,025,563</b>	<b>\$ 1,124,663</b>	<b>9.66%</b>	<b>\$ 1,125,598</b>	<b>0.08%</b>
4Z30	965602	Special Investigations	\$ 11,028	\$0	\$ 0	N/A	\$ 0	N/A
5FA0	965603	Deputy Inspector General for ODOT	\$ 348,292	\$ 385,345	\$ 400,000	3.80%	\$ 400,000	0.00%
5FT0	965604	Deputy Inspector General for BWC/OIC	\$ 338,890	\$ 351,632	\$ 425,000	20.87%	\$ 425,000	0.00%
5GI0	965605	Deputy Inspector General for ARRA	\$ 410,153	\$ 456,655	\$ 520,837	14.05%	\$ 521,535	0.13%
<b>General Services Fund Group Total</b>			<b>\$ 1,108,363</b>	<b>\$ 1,193,632</b>	<b>\$ 1,345,837</b>	<b>12.75%</b>	<b>\$ 1,346,535</b>	<b>0.05%</b>
<b>Office of the Inspector General Total</b>			<b>\$ 2,210,520</b>	<b>\$ 2,219,195</b>	<b>\$ 2,470,500</b>	<b>11.32%</b>	<b>\$ 2,472,133</b>	<b>0.07%</b>