

ANNUAL REPORT 2023



INDIANA OFFICE OF INSPECTOR GENERAL

315 West Ohio Street; Room 104

Indianapolis, IN 46202

(317) 232-3850

www.in.gov/ig

info@ig.in.gov





Table of Contents

A Message from the Indiana Inspector General	4
The Office of Inspector General (OIG) Mission	4
The Office of Inspector General	7
OIG Budget and Return on Investment	8
Enforcement	10
Requests for Investigations	10
Investigations	11
Investigative Records	12
Summary of Public OIG Investigations	12
Recommendations	14
Collections	14
Media and Public Records	15
OIG Cases in the News	15
Public Records Requests	15
OIG Outreach	16
Agency Head Outreach	16
Ethics Officer Roundtables	16
Legislation	17
OIG Education	18
In-Person Ethics Training	18
DCS New Supervisor Training	19
Association of Inspectors General Conference	19
OIG Auditors and Investigators Conference	20
IG Award for Excellence	20
OIG Legal and Ethics Conference	22
IG Award for Excellence	22
Advice	24
Informal Advisory Opinions	24
Disclosures and Waivers	25
Financial Disclosure Statements	25
Gift Waivers	25
Conflict of Interests Disclosure Statements	25
The State Ethics Commission (SEC)	26
SEC Activity	28
Formal Advisory Opinions	28
Post-Employment Waivers	29
Findings of Probable Cause and Agreed Settlements	29
OIG Retirements and Staffing Updates	30
Thank you!	32

A Message from the Indiana Inspector General

OIG MISSION

The OIG mission is to reduce fraud, waste, abuse, mismanagement, and wrongdoing in state executive branch agencies. Through education, advice, investigations, prosecutions, and legislative recommendations, the Inspector General contributes to public confidence in state government.

In today's environment of misinformation, extremism, and political discord, public confidence and trust in our governing institutions is at an all-time low. Holding accountable those who abuse the public trust or engage in unethical behavior restores and helps to maintain public trust and confidence in state government. To that end, the focus of the Office of Inspector General (OIG) is to investigate fraud, waste, abuse, criminal wrongdoing, and violations of the Indiana Code of Ethics (Code) in the executive branch agencies of state government committed by former and current state employees, special state appointees, and selected state officials. It is a critical mission. The men and women of the OIG are dedicated to the mission of building and maintaining a culture of ethics in state government. We accomplish that mission by focusing our efforts in three main areas.

Enforcement

Annually, the OIG receives hundreds of complaints alleging fraud, waste, abuse, ethical violations, or criminal wrongdoing. Our attorneys screen those complaints then make recommendations to the Inspector General (IG) on whether to open an investigation. If an investigation is opened, the case is channeled to our Director of Investigations, who then assigns the case to one of our extremely experienced Special Agents. OIG Special Agents are required to have and maintain their Tier 1 Indiana Law Enforcement Academy certification as law enforcement officers with full police powers. We are especially fortunate that all OIG Special Agents are presently retired Indiana State Troopers. OIG staff present substantiated cases to local county prosecutors for criminal prosecution and prosecute ethics violations in front of the State Ethics Commission (SEC). Public trust and confidence in state government is created and reinforced because Indiana residents and state employees see that bad actors are exposed and held accountable for their misdeeds.

Education

The vast majority of public servants are hardworking, honest, and dedicated employees who want to do the right thing. The Indiana Code and agency rules relating to such things as political activity, conflicts of interests, gifts, moonlighting, and post-employment, just to name a few, are complicated and difficult to apply in often very fact-sensitive situations. Built into the OIG mission is the requirement to educate state employees, hopefully, to avoid the need for enforcement action. As you will see later in this Annual Report, the OIG provides bi-annual state ethics training for over 30,000 state employees and annually hosts two in-person seminars: the Auditors and Investigators Conference and a Legal and Ethics Conference providing CLE credit for state attorneys. In addition, OIG staff provide customized ethics training to individual agencies upon request. Helping state employees navigate complex ethical rules and regulations is a preventative measure that yields positive results.

**“HELPING STATE EMPLOYEES NAVIGATE
COMPLEX ETHICAL RULES AND REGULATIONS
IS A PREVENTATIVE MEASURE THAT YIELDS
POSITIVE RESULTS.”**

Advice

Finally, but of no less importance, is the OIG Informal and Formal Advisory process available to all current and former state employees. Demonstrating that our education function produces actual results, each year we receive hundreds of requests for Informal Advisory Opinions (IAOs) relating to ethical issues that arise in the workplace. Quick turnaround and confidential responses provide state employees with the information and guidance they need to make good decisions about sticky ethical issues. In many cases, dedicated and talented Agency Ethics Officers assist in framing the issues to ensure accurate, reliable responses. In addition, the SEC, upon request, issues public Formal Advisory Opinions (FAOs) which, by law, act as the final resolution of an ethical issue. The SEC meets monthly to resolve ethics issues, adjudicate complaints filed by the IG, approve settlements, and act on post-employment and gift waivers.

As you will see by reading through this Annual Report, the OIG handles hundreds of complaints and requests for advice, while providing formal and customized educational training to all public servants within the executive branch of Indiana’s state government. The OIG investigates and prosecutes those who are unethical in their behavior or commit criminal acts and by doing so

creates a strong sense of public trust and confidence in our state government. It is an honor to serve as Indiana’s fourth Inspector General. I appreciate and am humbled by the confidence that Governor Holcomb has shown by entrusting this critical government function to my care. We look forward to our new year and the continued success of the OIG in accomplishing its critical mission.



Sincerely,
David Cook
Indiana Inspector General



2023 OIG Staff. Front row: Cindy Scruggs, Director of Administration; Chuck Coffin, Special Agent; David Cook, Inspector General; Tiffany Mulligan, Chief of Staff/Chief Legal Counsel; Doreen Clark, Staff Attorney; Mark Mader, Staff Attorney; Back Row: Sean Gorman, State Ethics Director; Mark Mitchell, Director of Investigations; J.J. Fajt, Special Agent; Mike Lepper, Special Agent; Nathan Baker, Legal Assistant; Sam Stearley, Special Agent.

The Office of Inspector General (OIG)

Pursuant to Ind. Code § 4-2-7-2, the Inspector General is “responsible for addressing fraud, waste, abuse, and wrongdoing” in state executive branch agencies. To carry out this mandate, the Inspector General and OIG staff perform a variety of duties including receiving complaints, conducting investigations, presenting evidence of criminal wrongdoing to county prosecutors and Code violations to the SEC, and making recommendations to state agencies. The OIG also provides advice and training on the Code to state officers, state employees, and special state appointees.

The OIG consists of attorneys, special agents, and administrative staff. All staff work cooperatively and collaboratively to advance the mission of the agency. OIG special agents are sworn law enforcement officers who conduct investigations, interview witnesses, examine records, serve warrants, and perform other law enforcement duties as needed. They also coordinate and assist other agencies with investigations. The OIG attorneys provide legal advice, prepare legal documents, and help present cases to state and federal prosecutors for criminal prosecution. They also file and prosecute cases before the SEC. OIG attorneys provide informal, written advice on the application of the Code to state officers, employees, and special state appointees. The OIG administrative staff provides support to all team members and ensures the OIG operates smoothly.



2023 OIG ACCOMPLISHMENTS



186

**Informal Advisory
Opinions (IAOs) issued**

464

Hotlines Screened

50

New Investigations Opened

43

Investigations Closed

25

**In-person Trainings
Conducted**

2

Conferences Hosted

OIG Budget and Return on Investment



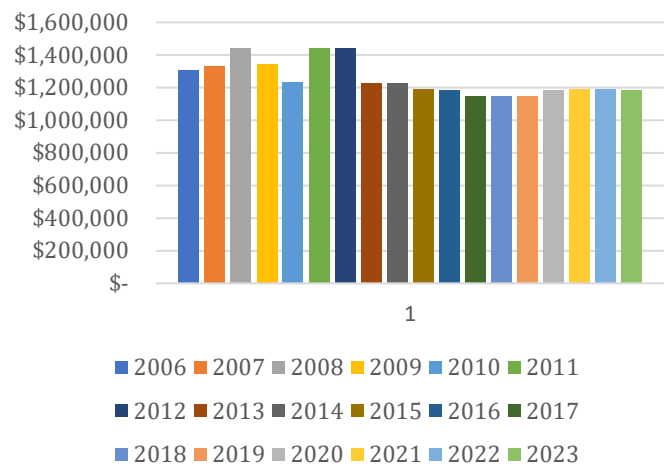
OIG's 2023-2024 Fiscal
Year Budget =
\$1,185,157

The OIG serves a State that is home to over 6.8 million residents. The OIG has oversight of over 30,000 individuals, including all executive branch state officers, employees, and special state appointees. The OIG's fiscal-year budget for 2023-2024 is \$1,185,157, which is less than .01% of the overall state budget. This includes funds for the SEC members' per diem and travel.

The OIG's Annual Budget has decreased since it was first created and fully staffed. The OIG's budget has been reduced since its highest point of \$1,441,871 in 2011. It has decreased from its 2022 amount of \$1,190,089.



OIG Annual Budget 2006 - 2023



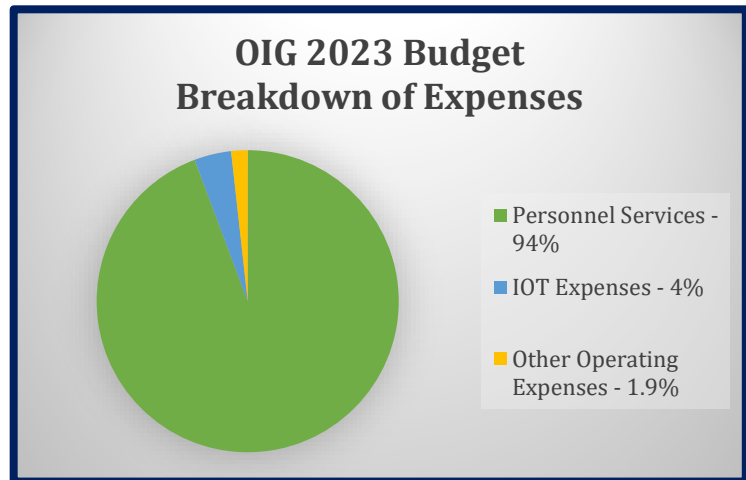
In the OIG's early years, the OIG had seventeen full-time staff members, including the Inspector General, a controller, seven Special Agents, four attorneys, and four administrative support staff. Due to rising costs and a static budget, the OIG has reduced its staff and expenses.

At the start of 2023, the OIG had a staff of twelve full-time staff members, including the Inspector General, five Special Agents, four attorneys, and two administrative support staff. The small number of staff has made it challenging for the OIG to complete

investigations in a timely and proactive manner. In 2023, the Inspector General sought and was granted budget approval to add a fifth attorney and sixth Special Agent. The OIG currently has no embedded budget, finance, human resources, legislative, or communications staff.

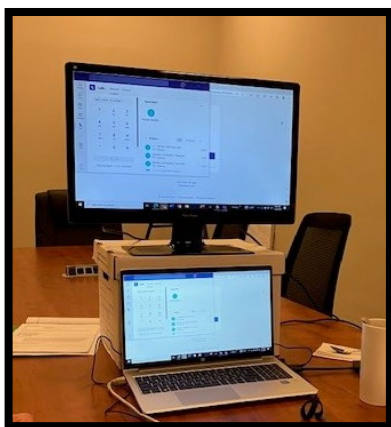
The substantial majority of the OIG's budget is dedicated to staff salaries and benefits. The remaining portion of the OIG's budget is dedicated to operating costs, including computer hardware and maintenance of vehicles.

The OIG's responsibilities require qualified and competent investigators, who must maintain qualifications as Tier 1 law enforcement officers. OIG Special Agents must have advanced investigative skills to conduct criminal, ethics, and efficiency investigations. **As the salaries for other law enforcement officers throughout state government have increased over the years, the OIG's salaries for its Special Agents have not remained competitive. Due to the OIG's budgetary constraints, the OIG has found it challenging to recruit qualified law enforcement officers for open Special Agent positions.**



The OIG's responsibilities also require qualified attorneys, who are licensed and in good standing to practice law in the State of Indiana. OIG attorneys must have the ability to analyze complex fact patterns; draft thorough, accurate, and clear written advisory opinions; research resources for individuals submitting complaints to the OIG; and present evidence to county prosecutors, complaints to the SEC, and in-person training to state employees. OIG attorneys also monitor legislation, False Claims Act filings, and other legal matters. In 2023, the Governor approved a state-wide compensation study and implementation, which increased the salaries of attorneys across state government. **The salary increases have made it easier for the OIG to recruit talented attorneys but have cut further into the OIG's overall static budget.**

Finally, the OIG's responsibilities require dedicated and talented administrative support staff. OIG administrative support staff perform a wide variety of duties, including drafting budget requests, preparing compliance reports for the State Comptroller's Office and State Board of Accounts, addressing technology needs, entering complaints and requests for advisory opinions, processing disclosure statements, responding to constituent calls, and ensuring bills and payroll are administered correctly.



In a recent virtual meeting, the OIG used a computer screen on top of a box so virtual attendees could see in-person attendees.

Due to budget constraints, the OIG has been unable to update office equipment in many years. For example, the OIG has a case management system that is over fifteen years old. It is limited in its reporting capability and is not supported by the Indiana Office of Technology. The OIG also does not have updated equipment that would allow multiple individuals to attend virtual meetings in the OIG conference room.

In an effort to be good stewards of citizens' tax dollars, the OIG designed our 2023 Annual Report in-house again this year.

Enforcement

Requests for Investigations

In 2023, the OIG referred Hoosiers to a variety of resources, including:

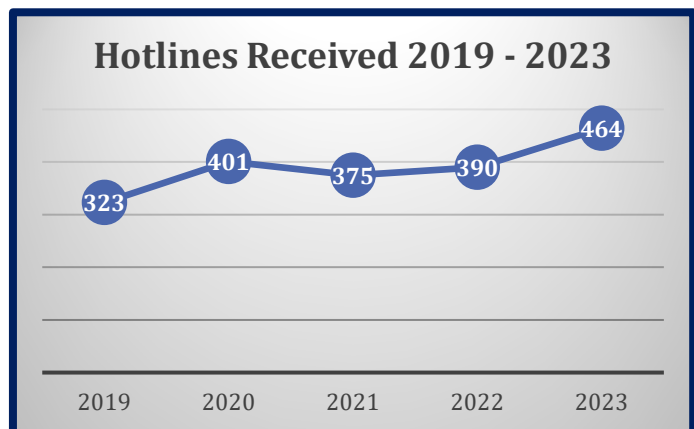
- Indiana Bureau of Motor Vehicles
- Indiana Department of Child Services Ombudsman
- Indiana Department of Correction Ombudsman
- Indiana Department of Revenue
- Indiana Department of Workforce Development
- Indiana General Assembly
- Indiana Judicial Qualifications Commission
- Indiana Legal Services
- Indiana Office of Attorney General Consumer Protection Division
- Indiana Office of Utility Consumer Counselor
- Indiana State Board of Accounts
- Indiana State Personnel Department's Employee Relations Division
- Indiana State Police
- Indiana Supreme Court Disciplinary Commission
- U.S. Air Force Inspector General
- U.S. Army Inspector General
- U.S. Department of Agriculture's Office of Inspector General
- U.S. Social Security Administration's Office of Inspector General
- Various Local Police Departments and County Sheriff's Offices

The OIG receives requests for investigations through various sources. The vast majority of the OIG's requests for investigations originate from the online hotline reporting page on the OIG's [website](#). Through the online hotline page, the reporting parties can choose to identify themselves or remain anonymous. The OIG also receives complaints via mail, walk-ins, or agency referrals.

The OIG's jurisdiction is limited to alleged violations of the Code, criminal activity, waste, mismanagement, and abuse within the executive branch of state government. It also extends, to a limited extent, to those entities who have or are seeking a business relationship with an agency.

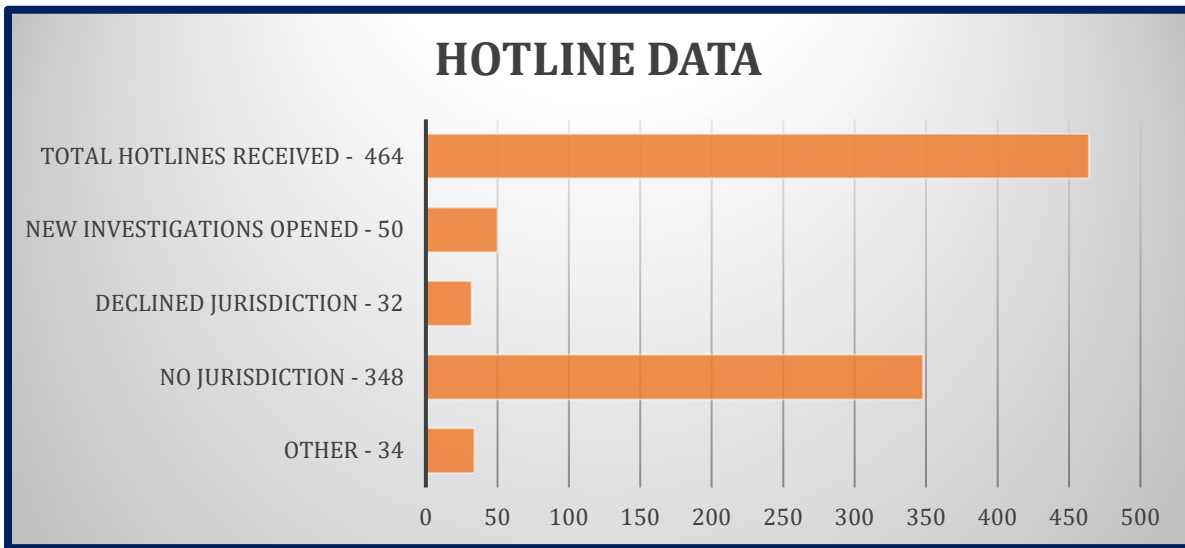
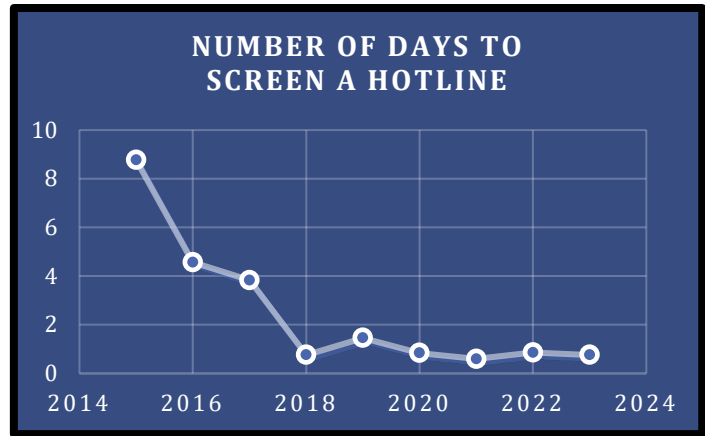
In 2023, the OIG received a total of 464 requests for investigations. The subjects of the requests varied greatly. The OIG attorneys carefully screened each hotline, and the OIG either opened a case for investigation, declined to investigate the complaint because it did not fall within the OIG's mission, closed the hotline for insufficient cause, or referred the complaint to another entity.

In most cases when a hotline fell outside of the OIG's jurisdiction, the OIG attorneys provided the reporting party with other potential resources. This provided quality customer service to Hoosiers looking for assistance and often provided other agencies leads for investigations.



The OIG attorneys prioritize the hotline screening process. The average number of days to screen a hotline in 2023 was 0.76 days. This allows Hoosiers to receive a response to their complaint in less than one day.

In 2023, the OIG opened 50 complaints for an investigation, closed 32 complaints for declined jurisdiction, and closed 348 complaints for lack of jurisdiction.



Investigations

As noted above, the OIG opened 50 new cases for investigation in 2023. The OIG completed investigations for and closed 43 cases in 2023. The number of investigations closed includes cases that the OIG opened in previous years.

When the OIG finds evidence of a crime, the OIG submits the case to the appropriate county prosecutor for review and possible criminal charges. In 2023, the OIG presented two cases to prosecutors, who filed multiple felony criminal charges, including charges of forgery and official misconduct.

When the OIG finds evidence of violations of the Code, the OIG has the discretion to submit the case to the SEC and ask that the SEC find probable cause for the OIG to file an ethics complaint.

In 2023, the OIG presented four cases to the SEC. The SEC found probable cause in each of these cases. The OIG reached an agreed settlement in each of these cases, and the SEC approved all four of the agreed settlements.






Investigative Records

Pursuant to Ind. Code § 4-2-7-8, the OIG may keep its investigative records confidential in whole or in part at the discretion of the IG. During 2023, the IG made its Investigative Reports public when a prosecutor filed charges, when the SEC found probable cause for an ethics complaint, or when the IG found that it was in the public interest to issue a public report.

Pursuant to Ind. Code § 4-6-3-2.5, the OIG reviews state contingency fee contracts for possible conflicts of interests and potential Code violations. The OIG published reports for each of the OIG's review of state contingency fee contracts. In 2023, the OIG reviewed five contingency fee contracts, all from the Office of the Attorney General.

Summary of Public OIG Investigations

In 2023, the OIG published seventeen of its Investigative Reports for closed cases on the OIG's [website](#) for public review. A selection are summarized below.

- **2023-03-0109** - The OIG investigated an allegation that a Department of Correction (DOC) employee misused a state-owned vehicle that DOC had assigned him for work. The investigation revealed that the employee used the vehicle for over 12,000 personal miles between November 4, 2019, and February 21, 2023, resulting in almost \$5,000 of improperly reimbursed state dollars. The OIG found sufficient evidence that the employee violated Ind. Code § 4-2-6-17, the use of state property rule. After the SEC found probable cause of an ethics violation, the subject of the investigation agreed to repay the improperly reimbursed funds in a settlement with the OIG. 
- **2021-11-0319** - The OIG investigated allegations that an Indiana Department of Transportation (INDOT) employee did not work his scheduled hours and that he used his state-issued vehicle and cellphone for personal use. The investigation found that the employee spent over thirty hours on his phone engaging in unauthorized activities, including connecting with adult chats, during regular work hours. Given the employee's salary, the improper cellphone use resulted in misuse of approximately \$2,000 state dollars. As a result, the OIG found that there was sufficient evidence that the employee violated Ind. Code § 4-2-6-17 and 42 I.A.C. 1-5-13, the ghost employment rule. After the SEC found probable cause of an ethics violation, the OIG and employee entered into a settlement agreement in which the employee agreed to repay the misused funds. 
- **2023-05-0181** - The OIG investigated allegations that a Bureau of Motor Vehicles (BMV) employee engaged in part-time employment with a car dealership and improperly processed titles for that dealership in her role with the BMV. The OIG found sufficient evidence that the employee violated Ind. Code § 4-2-6-5.5's prohibition against outside employment and Ind. Code § 4-2-6-9's conflict of interests provisions. After the SEC found probable cause of an ethics violation, the OIG entered into a settlement agreement with the employee for \$2,400. 

- **2023-03-0041** - The OIG investigated allegations that employees in various state executive branch agencies engaged in ghost employment. The OIG summarized four cases within its report. The OIG found that one case, which involved an employee allegedly misreporting 250 hours of time, resulted in an aggregate loss of \$7,617.50. The OIG presented the case to the Marion County Prosecutor for criminal charges. The Prosecutor declined to file criminal charges; however, the employee repaid the \$7,617.50. In the other three cases, the OIG did not find sufficient evidence of ghost employment, but the OIG made multiple recommendations to agencies regarding employee expectations, monitoring, State Personnel Department (SPD) policies, education, and seeking Informal Advisory Opinions to avoid future misunderstandings and mistakes among their employees.



- **2022-09-0277** - The OIG investigated an allegation that a Family and Social Services Administration (FSSA) employee submitted false Child Care Information System reports, forged daycare inspection reports and engaged in ghost employment. The OIG found sufficient evidence of forgery and sufficient evidence of official misconduct, but the OIG did not find sufficient evidence that the employee engaged in ghost employment or ethics violations. The OIG referred the case to the Lake County Prosecutor, who charged the employee with two counts of forgery and one count of official misconduct.



- **2022-11-0329** - The OIG conducted a follow-up investigation to determine whether the Indiana Civil Rights Commission (ICRC) had implemented a corrective action plan (CAP) it submitted to the OIG after an earlier OIG investigation made recommendations to ICRC related to its contracting, procurement, grant administration and documentation practices. The OIG discovered several deficiencies in ICRC's implementation of the CAP. As a result, the OIG created additional recommendations and published the report in consideration of the public interest.



- **2022-01-0013** - The OIG investigated allegations that a DOC employee was violating Ind. Code § 4-2-6-17, the state property rule, by allowing his family to live in a state-owned residence without him and without signing a lease or paying rent on the residence. The OIG found sufficient evidence that the allegations were true, and the SEC found probable cause to file an ethics complaint. The OIG entered into a settlement agreement with the employee, in which he agreed to pay a fine of \$2,790. In addition, the OIG encouraged DOC to find ways to ensure employees living on state property are complying with state policy.



- **2022-01-0013** - The OIG investigated a complaint that fifty-three state laptops were lost or stolen from FSSA. The OIG's investigation revealed that FSSA had reported thirty-three of those laptops and that many had gone missing during the flux of employees during and after the COVID-19 pandemic—both because of the volume of laptops being processed and because there were not clear policies and procedures regarding which agency or contractor would be responsible for tracking the laptops' return. The total loss of laptops amounted to over \$20,000. The OIG made multiple recommendations to avoid similar, future losses.

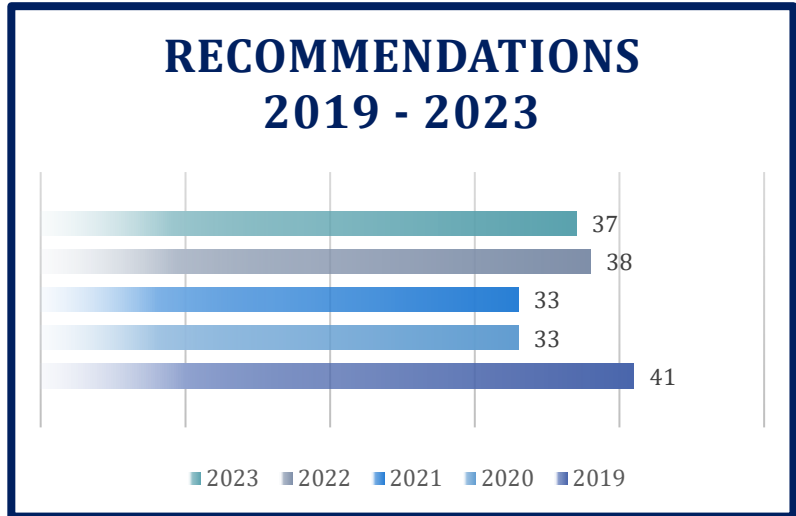


Recommendations

The OIG's work also impacts how the State conducts business. Those impacts can include recommendations that result in improved policies, improved compliance with existing policies, or termination of employees or vendors that do not adhere to state statutes or policies. These actions can deliver monetary results through better compliance, efficiencies, and reduced fraud and loss of taxpayer dollars.

In 2023, the OIG issued 37 recommendations across fifteen different reports.

In these reports, the OIG made recommendations to twelve different state agencies. The OIG also made multiple recommendations that applied to all executive branch state employees. The recommendations ranged from implementing agency policies, ensuring that state employees are educated on and complying with agency policies, incorporating stronger provisions into state contracts, and maintaining better documentation.



Collections

2023 OIG COLLECTIONS =
\$10,238.68 (SEC PENALTIES) +
\$7,036.48 (CRIMINAL
RESTITUTION) =
\$17,275.16

PENALTIES AND RESTITUTION
ORDERED FOR 2023 =
\$29,333.62

The OIG collects and tracks payments of fines for state ethics violations and restitution orders resulting from OIG criminal investigations. **In 2023, the OIG collected a total of \$17,275.16 in penalties: \$10,238.68 was from SEC civil penalty payments, which the OIG remitted to the State of Indiana's general fund, and the remaining \$7,036.48 was from criminal restitution payments, which the OIG returned to the state agency involved.**

For OIG cases closed in 2023, the SEC or a court ordered a total of \$29,333.62 in penalties and restitution for cases the OIG investigated.



Media and Public Records

OIG Cases in the News

The OIG did not issue press releases in 2023; however, several media outlets covered OIG investigations and their results. Coverage of OIG investigations in the news increases the public's awareness of the OIG's mission as an oversight agency and heightens public confidence in state government by showing that the OIG is holding state employees accountable for wrongdoing. Below are some of the headlines seen in 2023:



- March 8, 2023 – Westville prison warden fined for misusing state property, report shows – by Dan Carden, Northwest Indiana Times
- May 23, 2023 – Indiana executive branch employee misreported work hours, report finds – by Peter Blanchard, Indianapolis Business Journal
- July 25, 2023 – Dentists, state regulators at odds over compliance funds spending – by Leslie Bonilla Muniz, Indiana Capital Chronical
- September 8, 2023 – Docs: Ex-state worker must pay \$17K after stealing unemployment benefits; Tina Trotter reached a plea agreement Wednesday in which she pleaded guilty to one count of felony theft – by Kara Kenney, WRTV Indianapolis
- December 12, 2023 - Ex-INDOT manager must pay \$2K fine for using state phone for adult chats; Inspector General report shows Justin Breedlove violated Indiana code – by Kara Kenney, WRTV Investigates
- December 27, 2023 - Former Indiana DOC employee admitted to using state-owned vehicle for personal use on off days - by Tyler Haughn, Fox 59 WXIN TV Indianapolis

2023 –
29 APRA requests
fulfilled in an average of .5 days



Public Records Requests

In 2023, the OIG received 29 requests for records pursuant to the Indiana Access to Public Records Act (APRA). The OIG fulfilled the APRA requests in 2023 in an average of .5 days.

Of the 29 requests, eleven came from private citizens, seven from political research or consulting firms, four from media sources, three from law firms and four from other sources.

OIG Outreach

2023 Agency Head Outreach Included:

- Department of Administration (IDOA)
- Department of Child Services (DCS)
- Civil Rights Commission (ICRC)
- Economic Development Corporation (IEDC)
- Department of Health (IDOH)
- Department of Homeland Security (IDHS)
- Department of Natural Resources (DNR)
- Professional Licensing Agency (IPLA)
- Public Retirement System (INPRS)
- Department of Revenue (DOR)
- Office of Technology (IOT)
- Department of Transportation (INDOT)
- Utility Regulatory Commission (IURC)
- Department of Veterans' Affairs (IDVA)
- Department of Workforce Development (DWD)

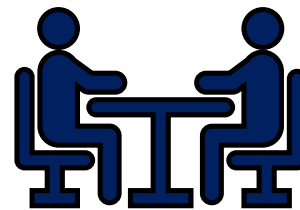
Agency Head Outreach

In 2023, the IG and OIG Chief of Staff/Chief Legal Counsel met with agency heads and ethics officers from multiple agencies to provide an overview of the OIG and how the OIG can be a resource to executive branch agencies. During these meetings, the Inspector General stressed the importance of creating a culture of ethics within the agency. He reminded agency heads that if ethics is important to the agency head, ethics will be important to agency employees.

In these meetings, the OIG also offered to provide in-person, tailored ethics training to the agency or to smaller groups within the agency. Several executive branch agencies took advantage of this offer. The IG is continuing his outreach to agency heads in 2024.

Ethics Officer Roundtables

In 2023, the OIG hosted quarterly roundtable meetings for agency ethics officers. During these meetings, agency ethics officers had the opportunity to freely discuss ethics issues they faced within their agencies. The meetings provided an open forum for ethics officers to ask questions of both OIG staff and their colleagues in other state agencies.



Legislation

In 2023, the OIG sought legislation to amend Ind. Code § 5-10-10-4 to add OIG Special Agents to the definition of “public safety officers” for the purposes of the special death benefit fund (Fund). Ind. Code § 5-10-9.8-2 creates the Fund for the purpose of paying lump sum death benefits under certain statutes, including Ind. Code § 5-10-10. Ind. Code § 5-10-10 makes a surviving spouse, surviving children, or parents of certain “public safety officers” eligible to receive a lump sum benefit from the Fund when the public safety officer dies in the line of duty.

The statute’s definition of “public safety officer” currently does not include OIG Special Agents, all of whom are law enforcement officers pursuant to Ind. Code § 35-31.5-2-185 and who have the authority to conduct criminal investigations under Ind. Code § 4-2-7-3. The definition of public safety officer includes correctional officers, excise police officers, conservation enforcement officers, probation officers, gaming agents, school resource officers, and many others. The OIG advocated for this change because OIG Special Agents deserve the same benefits afforded to all public safety officers.

Senator Gaskill introduced this legislation as Senate Bill (SB) 36. The legislation passed out of the Senate Committee on Pensions and Labor; however, it did not receive a hearing from the Senate Appropriations Committee. The OIG appreciates Senator Gaskill’s authorship of this bill.

OIG attorneys monitored legislation throughout the 2023 legislative session. This included reviewing introduced bills, watching legislative hearings, and tracking bills that might impact OIG operations, state government in general, or OIG cases.

January 27, 2023

SENATE BILL No. 36

DIGEST OF SB 36 (Updated January 25, 2023 11:29 am - D1140)

Citations Affected: IC 5-10.

Synopsis: Special death benefit for OIG investigators. Adds an investigator for the inspector general to the list of: (1) public safety officers whose relative receives a special death benefit if the officer dies in the line of duty; and (2) employees who may qualify for a presumption of disability or death in the line of duty.

Effective: July 1, 2023.

Gaskill, Rogers

January 9, 2023, read first time and referred to Committee on Pensions and Labor.
January 26, 2023, reported favorably — Do Pass; reassigned to Committee on Appropriations.



OIG Education

In-Person Ethics Trainings

In 2023, the OIG staff provided in-person ethics training to over twenty groups and 1,500 individuals. These trainings included presentations on the Code to the Department of Correction's (DOC) leadership team, the Department of Natural Resources (DNR) Division of Water, Indiana State Police (ISP) recruit class, and the entire staffs of the Indiana Public Retirement System (INPRS) and the Indiana Department of Veterans' Affairs (IDVA).

The OIG also provided in-person training on specific subjects and ethics rules. For example, the OIG provided tailored training on the Code's restrictions on political activity to employees of agencies under the purview of the Lieutenant Governor and training on post-employment restrictions for all General Counsels of executive branch agencies.

The OIG also presented to various groups outside of the executive branch of state government. For example, the OIG presented to the Indiana Prosecuting Attorneys' Council to educate county prosecutors on the work of the OIG and what to expect when receiving criminal cases from the OIG. The OIG also presented to local government organizations, such as the Indiana Township Association and Association of Indiana Counties, to discuss the importance of ethics and how to avoid conflicts of interests.

2023 OIG In-Person Trainings

- Over 20 Groups
- Over 1,500 individuals

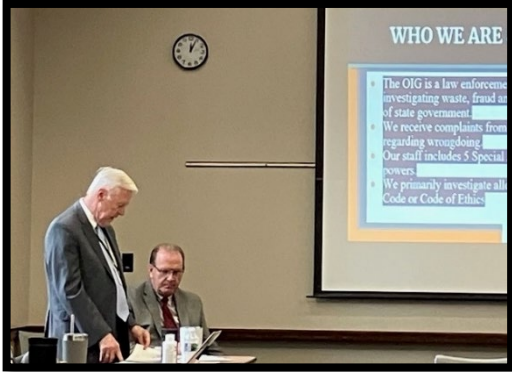


OIG attorneys Hope Blankenberger, Tiffany Mulligan, and Doreen Clark presented to the DNR Division of Water in Brown County, Indiana.



OIG Ethics Director Sean Gorman and OIG attorneys Doreen Clark and Mark Mader present on ethics in state contracting.

DCS New Supervisor Training



OIG Attorney Mark Mader and Special Agent Mike Lepper presented to DCS new supervisors.

In 2023, the OIG provided training to new DCS supervisors throughout the year. The training provided an overview of Criminal Code provisions that prohibit the falsification of child abuse and neglect records and summarized cases that the OIG investigated in which the DCS employees faced criminal charges. It also provided tips for DCS managers to help prevent such wrongdoing and ghost employment, specifically with remote workers or employees with flexible schedules.

Association of Inspectors General Conference



OIG Chief of Staff/Chief Legal Counsel Tiffany Mulligan joins Brad Snyder from the City of Chicago OIG, on a panel on Legal Issues for Oversight Agencies.

The OIG also participated in two panel discussions at the national Association of Inspectors General Conference in New York City, which was attended by hundreds of government oversight professionals from across the country. In the first panel discussion, Inspector General Cook and Chief of Staff/Chief Legal Counsel Mulligan joined a team from New York City to discuss how to hold employees accountable through parallel investigations. In the second panel discussion, Ms. Mulligan joined attorneys from the Miami-Dade County OIG and City of Chicago OIG for a panel on Legal Issues for Oversight Agencies.



Inspector General David Cook and OIG Chief of Staff/Chief Legal Counsel Tiffany Mulligan join Julie Schwartz and James Liander from T&M USA LLC for a panel on Parallel Investigations: Maximizing Multiple Investigations to Hold Employees Accountable.



2023 AIC Agenda Topics and Speakers

- **Identifying the Red Flags of Collusion in Public Procurement: Antitrust Crimes and the Procurement Collusion Strike Force** - Kristina Srica and Lizzy Noonan-Pomada, U.S. Department of Justice Antitrust Division
- **Introduction to the Environmental Protection Agency's Office of Inspector General** – Jake Hardesty and Thomas Earnhart, U.S. Environmental Protection Agency Office of Inspector General
- **Working Hard for the Money: The Endless Fight Against Fraud** – Auditor of State Tera Klutz and OIG Special Agent Mike Lepper
- **Prosecutorial Review of Investigative Actions** – Hamilton County Chief Deputy Prosecutor Barb Trathen and OIG Special Agents Chuck Coffin and Mark Mitchell

OIG Auditors and Investigators Conference (AIC)

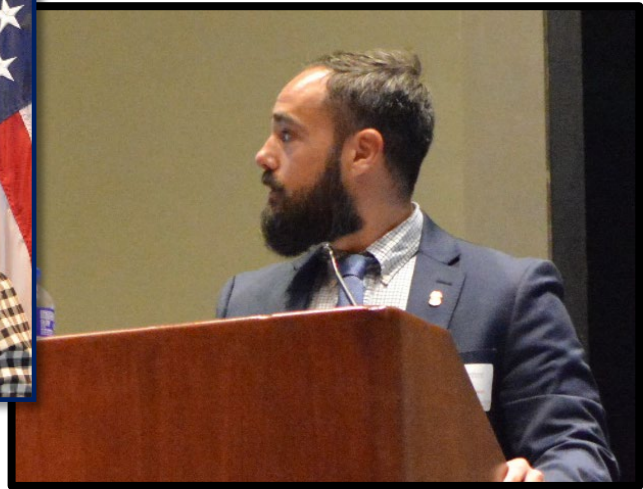
On June 8, 2023, the OIG hosted its annual Auditors and Investigators Conference in Indianapolis. The Conference provided in-person training to state auditors and investigators on a variety of topics. Over 200 state employees registered for the Conference.

IG's Award for Excellence

During the AIC Inspector General Cook awarded the Inspector General's Award for Excellence to Sharon Kahoe, an Internal Affairs Investigator with the Indiana Family and Social Services Administration (FSSA). Ms. Kahoe has been a valuable supporter of the OIG since 2006, referring investigations to the OIG for possible criminal and Code of Ethics violations. She also has supported OIG Special Agents as they have investigated FSSA matters. Inspector General Cook recognized the overall quality of Ms. Kahoe's investigations, her attention to detail, and the manner in which she documents her investigations into a thorough, well-organized, and detailed report.



Inspector General Cook presents the Inspector General's Award for Excellence to Sharon Kahoe at the 2023 AIC.



AIC Conference speakers included (from left to right; top to bottom): Kristina Srica and Lizzy Noonan-Pomada with the Antitrust Division of the U.S. Department of Justice; Thomas Earnhart and Jake Hardesty, with the U.S. Environmental Protection Agency Office of Inspector General; OIG Special Agent Michael Lepper and Auditor of State, Tera Klutz (with Inspector General David Cook); and OIG Special Agents Chuck Coffin and Mark Mitchell with Barb Trathen, Chief Deputy Prosecutor in Hamilton County. Bottom picture: Inspector General Cook joins Ms. Kahoe and members of FSSA's Investigations team: (front row) Sharon Kahoe, Justin Goree; (back row, from left to right) Joseph Barney, Sylvia Villarreal, Yekensia Holmes, Juana (Lilly) Dearth, and Wendell Hoskins.

2023 LEC Agenda Topics and Speakers

- **Ethics and Integrity in Public Service** – Honorable Thomas L. Kirsch II, U.S. Court of Appeals for the Seventh Circuit Judge
- **Parallel Investigations** – Department of Child Services Deputy General Counsel and Ethics Officer, Rachel Russell; OIG Chief of Staff and Chief Legal Counsel, Tiffany Mulligan; and OIG Special Agent and Director of Investigations, Mark Mitchell
- **Government Lawyer Ethics** – Honorable Gary L. Miller, Marion County Superior Court Judge
- **Ethics in Political Activity for State Employees** – Sean Gorman, OIG State Ethics Director



OIG Legal and Ethics Conference (LEC)

On November 16, 2023, the OIG hosted its annual Legal and Ethics Conference (LEC) in Indianapolis. The LEC provided in-person training to state attorneys and agency ethics officers. Over 200 state employees registered for the LEC.

IG's Award for Excellence

During the LEC Inspector General Cook awarded the Inspector General's Award for Excellence to Rachel Russell, Deputy General Counsel and Ethics Officer for the Indiana Department of Child Services (DCS). As DCS's Ethics Officer, Ms. Russell has excelled by providing proactive ethics advice and ethics training to DCS employees. She regularly communicated with the OIG on ethics matters and encouraged DCS employees to seek advice from the OIG when needed. She also submitted several complaints to the OIG for investigation and fully cooperated with OIG investigators. Ms. Russell also participated in the LEC as a panelist.



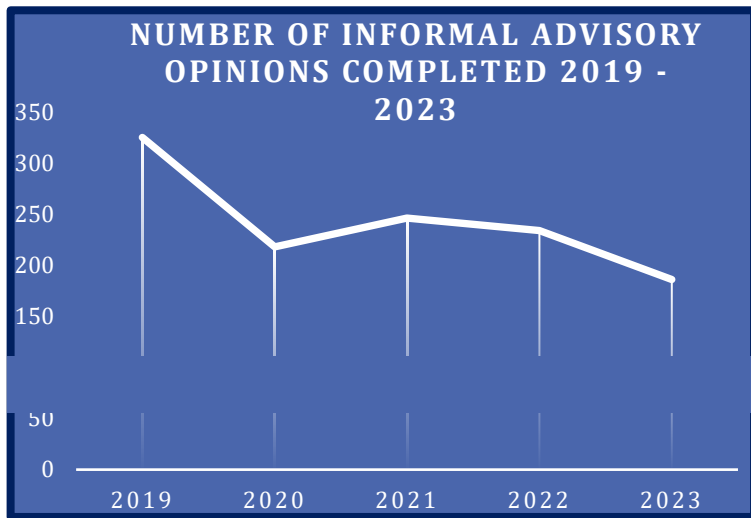
Inspector General Cook presents the Award for Excellence to Rachel Russell at the 2023 LEC.



LEC Conference speakers included (from left to right; top to bottom): The Honorable Judge Thomas L. Kirsch; DCS Deputy General Counsel and Ethics Officer, Rachel Russell, OIG Director of Investigations, Mark Mitchell, and OIG Chief of Staff and Chief Legal Counsel, Tiffany Mulligan; the Honorable Gary L. Miller; and Sean Gorman, OIG State Ethics Director. Bottom picture: Inspector General Cook presents the Inspector General's Award for Excellence to Rachel Russell.

Advice

Informal Advisory Opinions (IAOs)



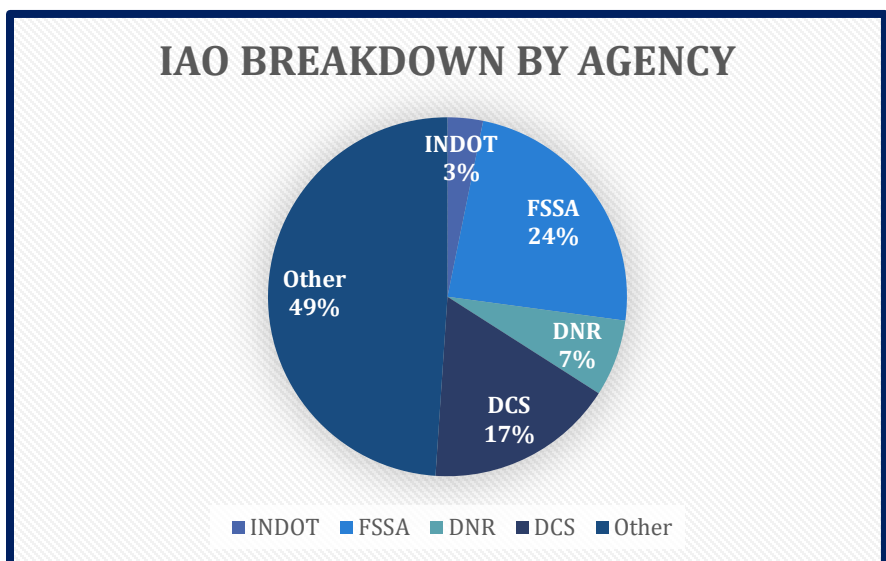
The OIG issues IAOs to state executive branch officers, employees, and special state appointees who seek advice on the application of the Code on their specific set of circumstances. IAOs are confidential, written legal opinions that the OIG issues within an average of one to two business days from receipt of the request and all required information. This process is designed to improve state officials' compliance with the State's ethical standards by providing proactive legal advice on the application of the ethics rules before they act.

In 2023, the OIG received 199 requests for IAOs and issued 186. The OIG received some requests for advice from parties over whom the OIG has no jurisdiction or authority; therefore, the OIG did not issue IAOs in response to all the requests made. In 2023, the OIG provided advice on many Code rules, with the most frequent questions involving outside employment and post-employment. Several IAOs covered multiple Code rules.

2023 - Average time for OIG to issue IAOs = 1.7 days

OIG attorneys prioritize the issuance of IAOs as part of the OIG's commitment to customers as well as good government service. **In 2023, the average response time in which OIG attorneys provided an IAO after receiving a request was 1.7 days.**

The OIG issues IAOs to state officers, employees, and special state appointees in a variety of agencies. In 2023, the OIG sent the largest number of IAOs to DCS and FSSA, two of the largest agencies within the executive branch of state government who deal with the most vulnerable populations.



Disclosures and Waivers

Financial Disclosure Statements

Under Ind. Code § 4-2-6-8, all agency heads, state-elected officers, employees with final purchasing authority, and various other state employees must file with the OIG an annual Financial Disclosure Statement by February 1st. These statements are public documents and are available to the public upon request. The OIG posted the disclosure statements of all statewide elected officers on the OIG website. In 2023, the OIG received 1,621 Financial Disclosure Statements filed for calendar year 2022 from state employees and elected officials across multiple agencies.

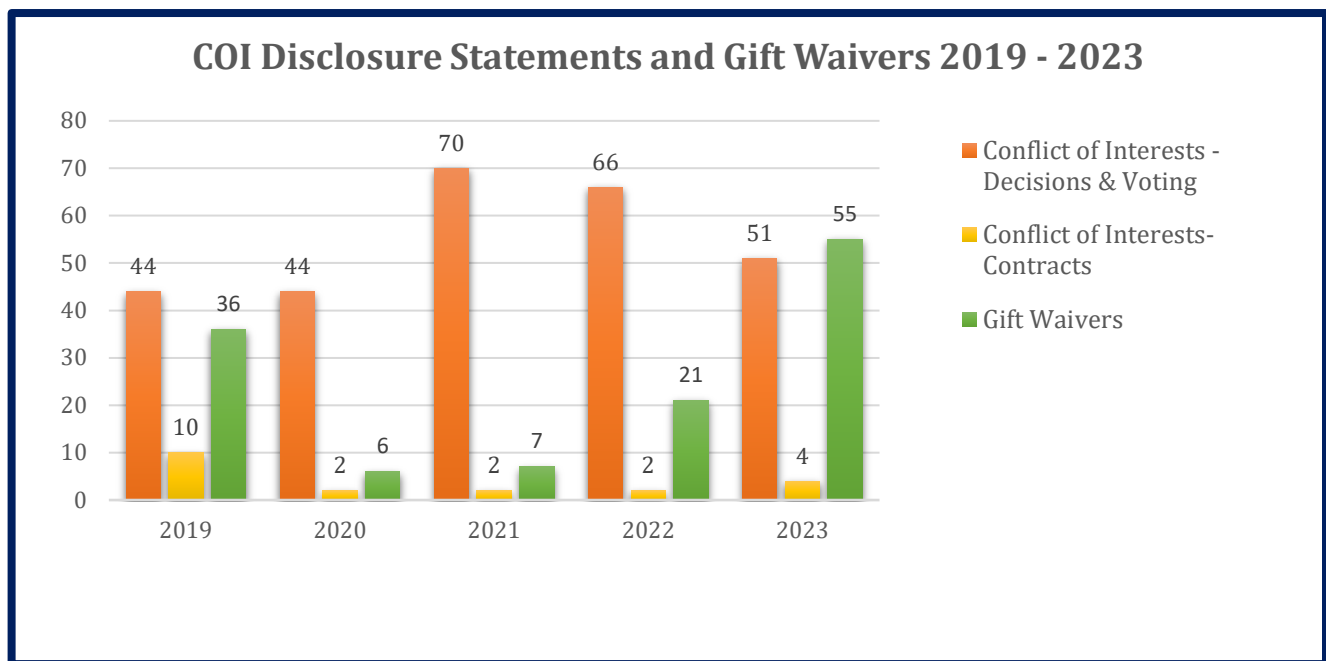
Gift Waivers

Under 42 IAC 1-5-1, agency appointing authorities and ethics officers, if delegated the authority, may waive application of the gifts rule. In 2023, state agencies executed and filed 55 gift waivers with the OIG. The OIG posts gifts waivers on its website at: [IG: Gift Waivers \(in.gov\)](#).

Conflict of Interests Disclosure Statements

Under Ind. Code §§ 4-2-6-9 and 4-2-6-10.5, state employees and special state appointees must file conflict of interests disclosure statements with the OIG if they identify a potential conflict of interests between their official state duties and their own personal interests.

In total, the OIG received 51 conflict of interests disclosure statements related to decisions and votes and four conflict of interests disclosure statements related to contracts in 2023. The OIG has posted these disclosure statements on its [website](#).



The State Ethics Commission (SEC)

The SEC is governed by Ind. Code 4-2-6. The SEC consists of five commissioners, who are appointed by the Governor. The Commissioners serve four-year, staggered terms. Commissioners may not be elected officials, state employees, or lobbyists. No more than three Commissioners may be from the same political party.

The SEC has jurisdiction over: (1) a current or former state officer; (2) a current or former employee of a state agency; (3) a person who has a business relationship with a state agency; or (4) a current or former special state appointee.

The SEC holds monthly public meetings. During these meetings, the SEC issues Formal Advisory Opinions (FAOs), which provide advice to members of the executive branch of state government, approve post-employment waivers and adjudicate ethics complaints filed by the OIG. The SEC has the ultimate authority to interpret the Code. Pursuant to Ind. Code §4-2-6-2, the OIG provides staff and resources in support of the SEC's activities. The SEC's budget now comes out of the OIG's overall budget.



2023 SEC Accomplishments



11

Formal Advisory Opinions (FAOs) Issued

6

Post-Employment Waivers Approved

3

Findings of Probable Cause

4

Agreed Settlements Approved



2023 SEC Commissioners (from left to right): John Krauss, Sue Anne Gilroy, Katherine Noel (Chair), Corrine Finnerty, and Rafael Sanchez.

SEC Activity

Formal Advisory Opinions (FAOs)

Among the SEC's statutory powers and duties is its role as an advisory body. Individuals who are subject to the Code may request the SEC's guidance on the interpretation of the Code on an actual set of circumstances through a request for a FAO. Agency ethics officers also may request an FAO on behalf of the agency or an agency employee.

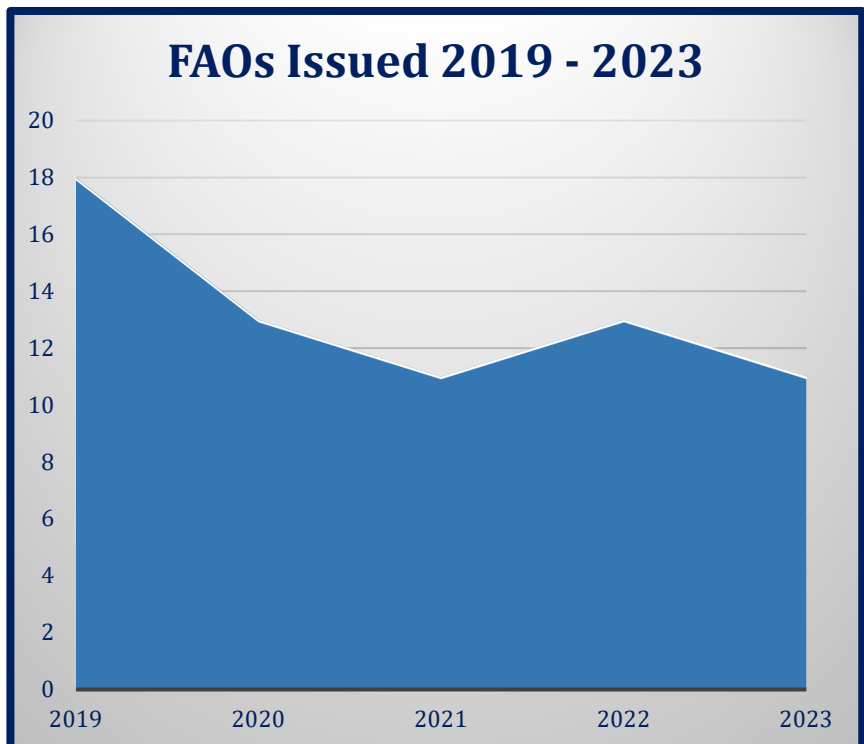
The SEC receives evidence under oath and publicly deliberates on the request at one of its monthly meetings. The OIG staff drafts a detailed, written FAO based on the SEC's findings. In the written FAOs, the OIG provides a thorough summary of the facts and circumstances presented to the SEC, as well as a complete and precise analysis that clearly explains the SEC's interpretation and application of the Code to those facts.

The OIG posts the SEC's FAOs to the Inspector General's website. FAOs are searchable and can be sorted by FAO number, year of publication and the particular Code provision at issue in the FAO. Although these FAOs are only binding on the SEC as it relates to the specific circumstances presented to the SEC, the FAOs offer instructive insight on how the SEC previously has interpreted and applied the Code under specific facts and circumstances.

In 2023, the SEC received a total of fourteen requests for FAOs. One request was withdrawn by the requester, and the SEC declined to issue an FAO for two requests after public deliberation. The SEC declined to issue one request because the SEC determined the request was based on activities in which the requesting party had already engaged. The SEC has consistently held that it does not provide retroactive advice. The SEC declined to issue a FAO on another request because they found the request lacked specific circumstance in the facts presented by the requester.

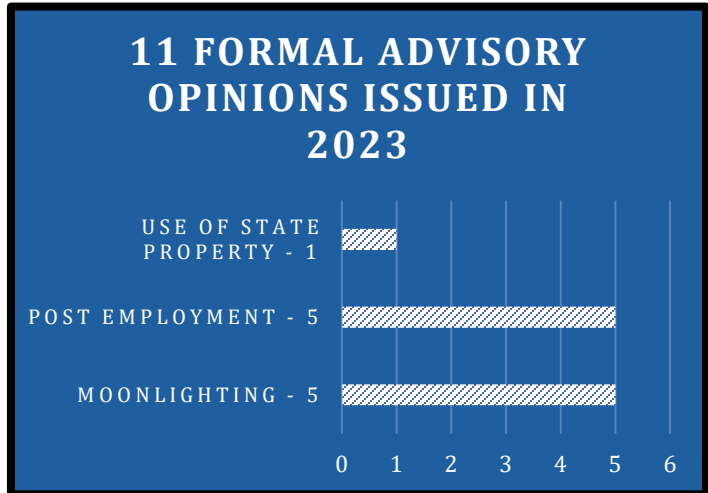
In 2023, the SEC issued eleven FAOs covering a variety of scenarios. Of these requests, eight were requested by an agency ethics officer.

In seven of these FAO requests, the requester first received an Informal Advisory Opinion (IAO) from the OIG. The circumstances presented by an individual in a request for an IAO can identify an issue that the SEC has never previously considered, or the facts may indicate a situation where it is uncertain how the SEC would apply the Code. In such situations, OIG attorneys will identify the uncertainty of the



Code’s application and advise that the requestor obtain an FAO for a conclusive determination on the Code’s applicability.

Of the eleven SEC FAOs published in 2023, five FAOs primarily considered the application of the Code’s post-employment restrictions to state employees, five FAOs primarily dealt with a state employee or state appointee’s outside employment and potential conflicts of interests, and one FAO dealt with an agency’s proposed policy pertaining to the Code’s use of state property and ghost employment rules. A list of the SEC’s 2023 FAOs is maintained on the OIG [website](#).



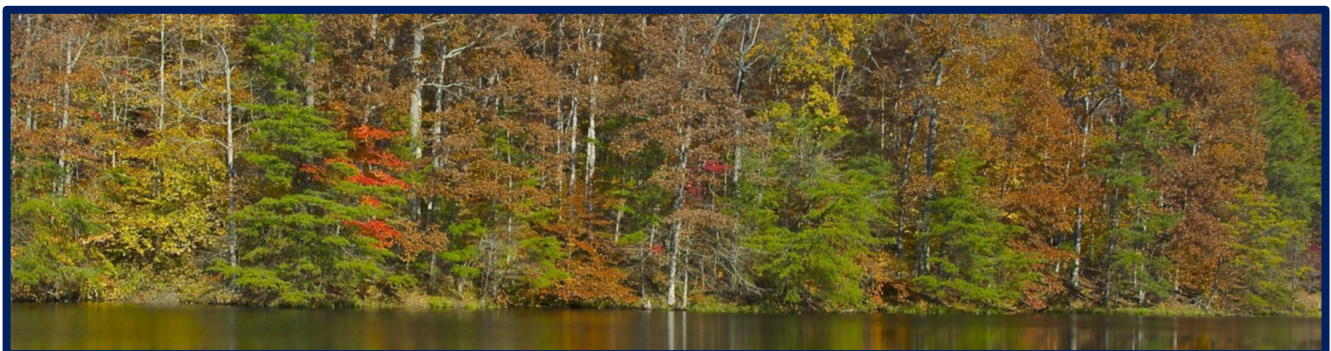
Post-Employment Waivers

The SEC also reviews post-employment waivers, which agency appointing authorities issue pursuant to Ind. Code § 4-2-6-11(g). The agency appointing authority must present the waiver to the SEC for approval at one of its public meetings. The SEC can approve the waiver if it finds that the waiver meets the statutory requirements.

In 2023, the SEC approved six post-employment waivers: one waiver from the Commission on Higher Education, two from the Department of Health, one from the Indiana Economic Development Commission, one from the Indiana Department of Transportation, and one from the Office of Community and Rural Affairs. The OIG posts all post-employment waivers on its [website](#). The SEC considered each of these waivers in a public meeting.

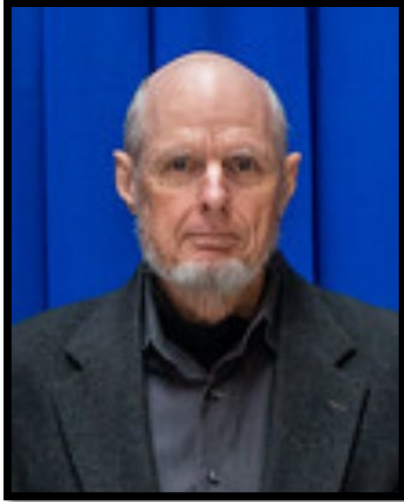
Findings of Probable Cause and Agreed Settlements

For a summary of cases in which the SEC found probable cause and approved an agreed settlement, please see the Summary of Public OIG Investigations section of this Annual Report.



OIG Retirements and Staffing Updates

In 2023, two OIG staff members announced their retirements, and the OIG hired two new staff members. To meet its important mission, the OIG has continued to hire talented staff members who are dedicated to serving Hoosiers and producing high quality work product, including investigative reports and advisory opinions.



First, Special Agent Charles “Chuck” Coffin retired at the end of 2023. Chuck started with the OIG in 2006, less than one year after the OIG was created. Chuck is a graduate of Indiana University and Marion College. Prior to beginning his role at the OIG in 2006, Chuck served in Indiana State Government as an Administrative Law Judge, a Law Enforcement Information Technology Consultant, and an Investigator. For the majority of Chuck’s extensive law enforcement career, he served in various roles at the Indiana State Police for 26 years, including in Internal Affairs as a Civil Liability Investigator and as Commander of ISP’s Special Investigations Section. Chuck also is a veteran of the United States Air Force.

Second, Senior Staff Attorney Mark Mader retired from the OIG, effective January 19, 2024. Mark is a graduate of Wabash College and University of Louisville School of Law and was admitted to the Indiana Bar in 1978. Prior to his role at the OIG, Mark worked in several capacities in Kentucky state government, including the Kentucky Governor’s Office. He has also practiced in positions at the Wayne County Prosecutor’s Office, in private practice, and in previous roles in Indiana State Government agencies, including the Indiana Secretary of State, the Office of the Attorney General, and the Alcohol and Tobacco Commission.



The OIG hired Jason “J.J.” Fajt as a Special Agent in February of 2023. J.J. graduated from Vincennes University in 1988 and started his career with the Indiana State Police (ISP) the same year. Most of J.J.’s career with the ISP was spent in investigative roles. He retired from ISP in 2022 as the District Investigative Commander at the Putnamville District. J.J. and his wife live in Greencastle, and they have two adult sons.

The OIG hired Hope Blankenberger as an Associate Attorney in October of 2023. She is a graduate of the Indiana University Robert H. McKinney School of Law. At McKinney, Hope participated in the Civil Practice Clinic. She has previous experience in state government as she interned at the Indiana Department of Transportation and the Indiana Economic Development Corporation. Hope graduated summa cum laude from Ball State University.



The OIG hired Special Agent Sam Stearley in September of 2022. He graduated from Brazil High School in 1980, and IVY Tech in 1981. Sam worked in mine construction until 1987, when he was accepted into the Indiana State Police Academy. As an Indiana State Trooper, Sam was also a firearms instructor and Field Training Officer. He then went into investigations where he served as a District Detective, Crime Scene Investigator, then Investigative Squad Sergeant for Detectives assigned to the Putnamville District.

The OIG hired Sean Gorman as the State Ethics Director in March of 2022. He is a licensed attorney in Indiana with a broad background involving statutory interpretation, policy making, and administration of a variety of state government programs. Sean most recently served with the State of Indiana as the Assistant Deputy Director at the Department of Child Services and is the former Director of the Indiana State Board of Nursing. Sean is a lifelong Indiana resident and earned his Bachelor of Science in Public Affairs and Juris Doctorate degrees at Indiana University.



The OIG hired Doreen Clark as an Associate Attorney in December of 2021. In this role, she provides ethics advice to state employees and assists the OIG's special agents with investigations of potential ethics and criminal code violations within the executive branch of Indiana state government. Doreen is a graduate of Indiana University Robert H. McKinney School of Law. Prior to joining the OIG, Doreen worked for the Indiana Department of Workforce Development and the Indiana Family and Social Services Administration.

Thank you!

We would like to thank the many state agencies and offices that have assisted us with our efforts throughout 2023. We appreciate the opportunity to present these results.

Contact Information

Indiana Office of Inspector General

315 West Ohio Street
Indianapolis, IN 46202

Phone: 317-232-3850

Email: info@ig.in.gov

www.in.gov/ig

