

STATE OF OHIO  
OFFICE OF THE INSPECTOR GENERAL

RANDALL J. MEYER, INSPECTOR GENERAL

REPORT OF  
INVESTIGATION



**AGENCY: OHIO TURNPIKE COMMISSION**  
**FILE ID NO.: 2012 CA-00020**  
**DATE OF REPORT: DECEMBER 19, 2012**

## The Office of the Ohio Inspector General..... The State Watchdog

*“Safeguarding integrity in state government”*

The Ohio Office of the Inspector General is authorized by state law to investigate alleged wrongful acts or omissions committed by state officers or state employees involved in the management and operation of state agencies. We at the Inspector General’s Office recognize that the majority of state employees and public officials are hardworking, honest, and trustworthy individuals. However, we also believe that the responsibilities of this Office are critical in ensuring that state government and those doing or seeking to do business with the State of Ohio act with the highest of standards. It is the commitment of the Inspector General’s Office to fulfill its mission of safeguarding integrity in state government. We strive to restore trust in government by conducting impartial investigations in matters referred for investigation and offering objective conclusions based upon those investigations.

Statutory authority for conducting such investigations is defined in *Ohio Revised Code §121.41* through *121.50*. A *Report of Investigation* is issued based on the findings of the Office, and copies are delivered to the Governor of Ohio and the director of the agency subject to the investigation. At the discretion of the Inspector General, copies of the report may also be forwarded to law enforcement agencies or other state agencies responsible for investigating, auditing, reviewing, or evaluating the management and operation of state agencies. The *Report of Investigation* by the Ohio Inspector General is a public record under *Ohio Revised Code §149.43* and related sections of *Chapter 149*. It is available to the public for a fee that does not exceed the cost of reproducing and delivering the report.

The Office of the Inspector General does not serve as an advocate for either the complainant or the agency involved in a particular case. The role of the Office is to ensure that the process of investigating state agencies is conducted completely, fairly, and impartially. The Inspector General’s Office may or may not find wrongdoing associated with a particular investigation. However, the Office always reserves the right to make administrative recommendations for improving the operation of state government or referring a matter to the appropriate agency for review.

The Inspector General’s Office remains dedicated to the principle that no public servant, regardless of rank or position, is above the law, and the strength of our government is built on the solid character of the individuals who hold the public trust.



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**OFFICE OF THE INSPECTOR GENERAL**

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RANDALL J. MEYER, INSPECTOR GENERAL

## REPORT OF INVESTIGATION

**FILE ID NUMBER:** 2012 CA-00020

**SUBJECT NAME:** Adam Greenslade  
Dale Perram

**POSITION:** Director of Government Affairs  
Chief of Operations

**AGENCY:** Ohio Turnpike Commission

**BASIS FOR INVESTIGATION:** Complaint

**ALLEGATIONS:** Improper Hiring Practices

**INITIATED:** March 8, 2012

**DATE OF REPORT:** December 19, 2012

## **INITIAL ALLEGATION AND COMPLAINT SUMMARY**

The Office of the Ohio Inspector General received a letter from Chris Redfern, chairman of the Ohio Democratic Party, on February 24, 2012, requesting an investigation into the hiring of both Adam Greenslade and Dale Perram by the Ohio Turnpike Commission (OTC). Redfern stated that Greenslade was being paid \$5,000 a year as an OTC member before being hired by OTC as director of government affairs, making \$93,000 a year. Redfern's concern was whether Greenslade discussed or negotiated the \$93,000 job while serving as a commission member. Redfern also requested an investigation into the hiring of Dale Perram by OTC as chief of operations because Perram had contributed \$10,000 to the Kasich/Taylor for Ohio campaign in 2010.

## **BACKGROUND**

The Ohio Turnpike is a publicly built east-west tolled expressway spanning northern Ohio. The Ohio Turnpike was built during the 1950s by the Ohio Turnpike Commission (OTC), which continues to own and operate it. The commission contracts with the Ohio State Highway Patrol to provide law enforcement and motorist assistance along the Ohio Turnpike.<sup>1</sup>

The Commission consists of five voting members and four non-voting members for a total of nine members when at full membership. Four voting members are appointed by the Governor with the advice and consent of the Senate, no more than two of whom are members of the same political party. Appointed members receive an annual compensation of \$5,000 and serve an eight-year term. Terms are staggered so that one starts or expires every two years. The fifth voting member is the director of the Ohio Department of Transportation, who is a member ex-officio.<sup>2</sup>

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<sup>1</sup> Source: <http://www.lsc.state.oh.us/fiscal/recovery>

<sup>2</sup> [http://www.ohioturnpike.org/about/commission\\_members/](http://www.ohioturnpike.org/about/commission_members/)

There are two additional ex-officio members with non-voting status, the director of the Ohio Department of Development and the director of the Ohio Office of Budget and Management. The two remaining non-voting members are a state senator and a state representative. They are named, respectively, by the president of the Senate and the speaker of the House of Representatives.<sup>3</sup>

### **INVESTIGATIVE SUMMARY**

The Office of the Ohio Inspector General requested and received the following records from the Ohio Turnpike Commission:

- Ohio Turnpike Commission members from August 1, 2011, to present time of investigation;
- Ohio Turnpike Commission meeting minutes from August 1, 2011, to present time of investigation;
- The job postings for the OTC director of government affairs position and the OTC chief of operations position;
- The applications received for the director of government affairs and the chief of operations positions;
- A list of individuals interviewed for the director of government affairs position and any and all interview notes;
- A list of individuals interviewed for the chief of operations position and any and all interview notes;
- The name and contact information of those who conducted the interviews for the positions;
- Adam Greenslade's letter of resignation from his commission member position;
- Any and all emails between Richard Hodges, Adam Greenslade, Dale Perram, OTC members, and OTC Human Resources Department from August 1, 2011, to the time of the investigation.

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<sup>3</sup> Source: [http://www.ohioturnpike.org/about/commission\\_members/](http://www.ohioturnpike.org/about/commission_members/)

### **Adam Greenslade**

Adam Greenslade was appointed to serve as an OTC member by Governor John Kasich on October 18, 2011, through June 30, 2019. Greenslade attended his first OTC member meeting on November 2, 2011, which was the meeting when the OTC voted to hire Richard Hodges as executive director.

According to the OTC policy manual, employees are “at will” and serve at the pleasure of the executive director. Only the executive director has the authority to alter any employee’s conditions of employment, and any such alteration must be in writing and signed by the executive director. During an interview conducted by the Office of the Ohio Inspector General on May 18, 2012, Executive Director Richard Hodges stated that he had the authority to create new positions at OTC without the authorization of the commission members. Hodges stated that the OTC by-laws required the executive director to obtain approval from the commission members in order to hire the chief counsel and deputy executive director.

On January 5, 2012, at the request of Hodges, OTC posted a job opening both internally and externally for the position of director of government affairs. The posting indicated this was a senior-level position that reported to and served at the pleasure of the executive director. The application deadline for the position was January 20, 2012. On January 9, 2012, Hodges sent an email to notify the commission members of the open position. During an interview conducted by the Office of the Ohio Inspector General on May 18, 2012, Hodges stated he sent the email to the commission members for general marketing reasons, in case they knew anyone to refer for the position.

The Office of the Ohio Inspector General reviewed the job posting as well as all of the applications and resumes received from 18 applicants. Of the 18 applications received, Hodges and OTC Human Resources Director Robin Carlin interviewed 6 of the 18 applicants between January 24, 2012, and February 1, 2012. Based on a review of the

minimum qualifications outlined on the job posting and Greenslade's application, Greenslade appeared to meet the minimum qualifications for the position. [\(Exhibit 1\)](#) Carlin listed Greenslade as the number 1 ranking candidate. During a telephone interview conducted by the Office of the Ohio Inspector General on May 24, 2012, Carlin said only one round of interviews were conducted, and she stated that was the normal practice for a senior-level position reporting directly to the executive director. Carlin further stated that for positions which involve another layer of management, two interviews are conducted.

A review of the email provided by OTC revealed Greenslade sent an email to OTC Chairman Jerry N. Hruby on January 12, 2012, at 5:11 p.m., with Greenslade's letter of resignation attached. The resignation letter was dated January 12, 2012, and within the body of the letter, Greenslade stated his resignation was effective immediately. On January 17, 2012, Greenslade sent an email to Hodges with an attachment that included a cover letter, application, and resume for the position of director of government affairs. Greenslade noted in the email that he had resigned his position as an OTC member one week previous to the date of application to avoid any ethical violations. Greenslade further stated that, "I trust that my previous involvement on the commission will neither hinder nor benefit me in seeking this position; more accurately, I'm certain that the qualifications presented in the documents will warrant due consideration for this position."

During an interview conducted by the Office of the Ohio Inspector General on May 18, 2012, Hodges stated that after the December 19, 2011, OTC meeting, he informally advised Chairman Hruby that he was reorganizing some positions at the commission. This was not part of the formal meeting. Hodges informed Hruby that he was splitting up the duties of Kathy Weiss, OTC general counsel. Weiss formally held the position of contract administrator and director of government affairs. Hodges said Weiss would be general counsel and he would be posting the position of director of government affairs.

Hodges stated that a past criticism of OTC was that the commission was not sensitive to the local communities, so Hodges felt it was important to have an outreach position serving the local communities, county commissioners, and economic development groups along the Ohio Turnpike, especially with the current debate of the future of the Ohio Turnpike. Hodges said that other commission members, including Greenslade, overheard his conversation with Hruby. Hodges stated that Greenslade asked, “What if I’m interested?” Hodges replied, “You would have to resign your position and not talk to any of us about it.” Hodges said that was the end of the conversation. During the interview, Hodges provided assurances that he had no additional communication with Greenslade regarding the position.

During an interview conducted by the Office of the Ohio Inspector General on June 14, 2012, Greenslade stated that after the commission meetings, there were “little sidebar” conversations, which is how he heard about the open position of director of government affairs. Greenslade stated, “I happened to hear Rick (Hodges) and Jerry (Hruby) talking about potentially creating this position. I asked them about the position at that point ‘cause I overheard them talking about it. I asked them about it. And they basically told me we can’t talk about it if you’re interested in it.” Greenslade stated they advised him he would have to resign his board position. Greenslade said the December 19, 2011, commission meeting was the last meeting he attended before submitting his resignation on January 12, 2012. Greenslade specified he had no further discussions with Hodges, OTC members or employees regarding the director of government affairs position.

On January 25, 2012, Greenslade was interviewed for the position by Hodges and Carlin. OTC provided Carlin’s notes from this interview. In those notes, Carlin stated that Greenslade “interviewed the best and had the right fit of work experience.” On February 22, 2012, OTC sent a letter offering the director of government affairs position to Greenslade with a start date of February 27, 2012. [\(Exhibit 2\)](#)

### **Dale Perram**

The Office of the Ohio Inspector General reviewed the email related to the hiring of Dale Perram. An analysis of the email revealed, Dale Perram submitted his resume to OTC on December 6, 2011. On December 13, 2011, OTC sent a letter to Perram offering him the position of chief of operations at OTC with a start date of January 9, 2012. The position of chief of operations is an “at will” position serving at the pleasure of the executive director. This is an executive level, exempt position that requires neither posting, nor approval of the commission members. During a follow up telephone conversation with Carlin on September 18, 2012, Carlin said “the executive director fills this position with someone who will be the number one person he can trust.” Carlin stated that it is quite typical of executive directors to place someone in the role as chief of operations who will remain loyal.

During the interview conducted by the Office of the Ohio Inspector General on May 18, 2012, Hodges stated that the chief of operations position was not a newly created position. Hodges said the position went unfilled for a couple of years under the former executive director, but previously had been an active position at OTC. Hodges stated he was looking for someone who was process oriented, trustworthy, and independent. Hodges stated he knew Perram by his reputation through previous work in the same field, but did not recall ever meeting him personally. After receiving a recommendation to talk to Perram, Hodges reached out to Perram while still continuing to talk with other individuals who were recommended. Hodges stated that he approached other potential candidates, but none of them were interested in relocating to the Cleveland area for a position in an agency with much uncertainty. Hodges did not consider these conversations as “formal” and would not classify the individuals as “candidates.” Hodges stated he sat down with Perram several times and decided that Perram had the skills, was “outside the system,” and had run a successful business.

A review of Dale Perram’s curriculum vitae<sup>4</sup> and resume revealed that he obtained a Bachelor of Science degree in electrical engineering from the University of Akron with additional course work in economics and statistics. Perram was employed by High Voltage Systems, a division of L.E. Myers Company from 1974 through April 1985 as the manager of engineering. Perram founded Perram Electric in February 1986. Perram Electric is 1 of the 3 largest Ohio Department of Transportation contractors in Ohio. In 2008, Perram sold Perram Electric. Perram sits as chairman of the board for Perram and has 2 percent ownership interest in the company.

The Office of the Ohio Inspector General researched contributions made by Perram on the Ohio Secretary of State’s website. The results are illustrated in the table below.

<b>DATE</b>	<b>COMMITTEE NAME</b>	<b>AMOUNT</b>
08/15/2002	Friends of Randy Pope	\$200
04/23/2006	Ohioans for Ken Blackwell	\$1,000
07/28/2006	Ohioans for Ken Blackwell	\$1,500
05/04/2010	Kasich Taylor for Ohio	\$10,000

After learning that Perram Electric is a contractor for the Ohio Department of Transportation, the Office of the Ohio Inspector General reviewed payments made to Perram Electric from the State of Ohio. This review revealed that the Ohio Department of Transportation and the Ohio Public Works Commission have made payments to Perram Electric since January 9, 2012. In an email dated April 26, 2012, Kathleen Weiss, general counsel for OTC, stated:

... there are no current direct contracts between OTC and Perram Electric, and no award would be allowed given Mr. Perram’s relationship to that company. I have also checked and we have no records of past direct contracts. Perram Electric was listed as a subcontractor to the Ruhlin Company on one construction contract that I found from 1997. It is possible that Perram Electric has served as a subcontractor on

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<sup>4</sup> A short account of one’s career and qualifications prepared typically by an applicant for a position.

other vertical construction projects for reconstruction or rehabilitation at our service plazas and/or toll plazas, but I have been unable to locate any records to that effect.

During an interview conducted by the Office of the Ohio Inspector General on May 8, 2012, Matthew Markey, CFO of the Ohio Public Works Commission stated any payments made to Perram Electric would have been on behalf of a local government entity that contracted with Perram Electric. The Ohio Public Works Commission acts as a bank for local government entities in supporting projects financially. The Ohio Public Works Commission has no involvement in awarding contracts to vendors; it is handled by the local governments.

A review of the contracts that the Ohio Department of Transportation had with Perram Electric from November 1, 2011, to present found that Perram Electric submitted bids for 12 contracts and was awarded 4 of those 12 contracts. Each contract was competitively bid. The Ohio Revised Code §102.04(B) states that:

... no person elected or appointed to an office of or employed by the general assembly or any department, division, institution, instrumentality, board, commission, or bureau of the state, excluding the courts, shall sell or agree to sell, except through competitive bidding, any goods or services to the general assembly or any department, division, institution, instrumentality, board, commission, or bureau of the state, excluding the courts.

## **CONCLUSION**

The investigation did not find evidence supporting the allegation that Adam Greenslade used his position as an OTC commission member to secure employment with the Ohio Turnpike Commission. Greenslade resigned as a member of the Ohio Turnpike Commission on January 12, 2012, prior to submitting his application for the position of director of government affairs on January 17, 2012. Based on the information received by the Office of the Ohio Inspector General, no evidence was found to suggest that

Greenslade participated in discussions about the position with other commission members or OTC employees prior to submitting his resignation as a commission member and Greenslade's submission of an application for the position of OTC director of government affairs. Also, it was determined that Greenslade's former position as a commission member did not give him an added advantage to lobby or inquire about the open position because the executive director has sole hiring authority for this position. OTC posted the position, and 6 of the 18 applicants who applied were interviewed.

The Ohio Ethics Commission Information Sheet #6 states:

... if a board member wants to apply for an open position with the board, he must resign from the board before he submits an application or takes any other action to secure the job or benefits related to holding the job. He must resign before he discusses the employment opportunity with any board member or board employees. He is prohibited from seeking the job while he is a board member, and then resigning to accept employment.

**Accordingly, the Office of the Ohio Inspector General finds no reasonable cause to believe wrongful acts or omissions occurred in these instances.**

The Office of the Ohio Inspector General did not find evidence that Dale Perram was hired by OTC as the chief of operations on January 9, 2012, because he made a donation to the Kasich Taylor for Ohio campaign. Dale Perram made his campaign contribution on May 4, 2010, and nearly two years lapsed before being offered a position at OTC. Absent any other consideration during this time period, the Office of the Ohio Inspector General cannot directly connect the contribution to the job opportunity.

Ohio Ethics Commission advisory Opinion 2002-03 states, in part:

R.C. 102.03(G) clearly establishes that the Ethics Law does not limit ordinary campaign contributions given to a public official. A contribution given to a public

official “ordinarily accrues” to the official, and is not a violation of the Ethics Law, unless there is specific wrongdoing – bribery, another offense under the Revised Code, or a purpose to defraud – in connection with the contribution.

In an interview conducted by the Office of the Ohio Inspector General on May 18, 2012, OTC Executive Director Hodges stated that he reached out to Perram about the chief of operations position. There is no evidence, outside of Perram submitting his resume to OTC at Hodges’ request that Perram was actively lobbying for a position.

The Office of the Ohio Inspector General also reviewed Perram Electric’s contracts with the State of Ohio. An analysis of records determined that all contracts awarded to Perram Electric by the State of Ohio since Dale Perram has been an employee of OTC, were competitively bid. OTC has not entered into any contracts directly with Perram Electric while Dale Perram has been employed. OTC General Counsel Kathleen Weiss stated Perram Electric would not be awarded any contracts given Dale Perram’s relationship with Perram.

**Accordingly, the Office of the Ohio Inspector General finds no reasonable cause to believe wrongful acts or omissions occurred in these instances.**

#### **RECOMMENDATIONS**

None

#### **REFERRALS**

None

**[\(Click here to view all exhibits.\)](#)**



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RANDALL J. MEYER, INSPECTOR GENERAL

**NAME OF REPORT: Ohio Turnpike Commission**  
**FILE ID #: 2012 CA-00020**

**KEEPER OF RECORDS CERTIFICATION**

**This is a true and correct copy of the report which is required to be prepared by the Office of the Ohio Inspector General pursuant to Section 121.42 of the Ohio Revised Code.**

**Jill Jones**  
**KEEPER OF RECORDS**

**CERTIFIED**  
**December 19, 2012**

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