

STATE OF OHIO
OFFICE OF THE INSPECTOR GENERAL

RANDALL J. MEYER, INSPECTOR GENERAL

REPORT OF
INVESTIGATION



AGENCY: OHIO DEPARTMENT OF TRANSPORTATION
FILE ID NO.: 2013-CA00003
DATE OF REPORT: FEBRUARY 18, 2014

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

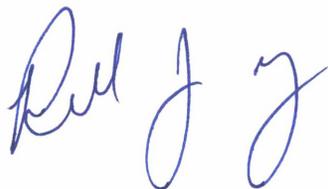
“Safeguarding integrity in state government”

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.



Randall J. Meyer
Ohio Inspector General



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REPORT OF INVESTIGATION

FILE ID NUMBER: 2013-CA00003

SUBJECT NAME: Sogeti USA Developers

POSITION: Contractor

AGENCY: Ohio Department of Transportation

BASIS FOR INVESTIGATION: Agency Referral

ALLEGATIONS: False Billing

INITIATED: January 22, 2013

DATE OF REPORT: February 18, 2014

INITIAL ALLEGATION AND COMPLAINT SUMMARY

On January 16, 2013, the Office of the Ohio Inspector General received information from the Ohio Department of Transportation (ODOT) Office of Investigative Services (OIS) concerning individuals contracted through Sogeti USA, LLC working at ODOT's Office of Aviation.

According to OIS, the contractors were submitting time sheets that did not match swipe card data showing times they used their assigned key cards to enter the Office of Aviation building, sign-in logs, and security videos. Subsequently, the contractors were inflating the number of hours worked thus inflating the cost of the billings to ODOT. An investigation was opened on January 22, 2013.

BACKGROUND

Ohio Department of Transportation

The Ohio Department of Transportation (ODOT) is responsible for maintaining the state's system of highways, as well as overseeing the state's rail, aviation, and public transportation systems. The department is divided into 12 districts and its central office is located in Columbus, Ohio. The director, acting as the agency's chief executive officer, is appointed by the governor and confirmed by the Ohio Senate. The majority of ODOT's funding comes from federal and state taxes on motor fuels.¹

ODOT Office of Aviation

The ODOT Office of Aviation performs a number of diverse functions to meet the needs of aviation customers. The three sections that make up the Office of Aviation are Flight Operations, Aircraft Maintenance, and Aviation Programs.

The Flight Operations section supplies aircraft and pilots for missions that include transportation of state officials and ODOT employees, aerial photo work for ODOT's Aerial Engineering Office, aerial support for the Ohio Bureau of Criminal Identification and Investigation (BCI) in its drug interdiction work, and a wide variety of specialized aerial support for Ohio's Department of Natural Resources (ODNR), ranging from aerial application of pesticides to wildlife survey and management.

¹ Source: Biennial budget documents.

The Aircraft Maintenance section maintains the state's diverse fleet of aircraft and has distinguished itself by being certified as a Federal Aviation Administration (FAA) Aircraft Repair Station. In addition, the Aircraft Maintenance team has been awarded the FAA's Diamond Certificate Award for Excellence. The Aircraft Maintenance section is responsible for the operational reliability of the 24 fleet aircraft that are routinely flown 12,000 hours annually by the Office of Aviation, the Ohio State Highway Patrol, and the Ohio Department of Natural Resources.

The Aviation Programs section responsibilities include airport planning, engineering, grants administration, airport pavement and airport safety inspections, airspace protection, aircraft registration, aviation education publications and enforcement of Ohio aviation laws. The Aviation Programs section coordinates many of its activities in partnership with the Federal Aviation Administration (FAA).²

INVESTIGATIVE SUMMARY

In early 2012, ODOT's Office of Aviation sought a vendor to assist with an aviation registration project. Specifically, ODOT was seeking an information technology project team to create an online aviation registration application which would provide for a streamlined process to enable aircraft owners to register and make electronic payments. Sogeti USA, LLC proposed – and was awarded – the contract from ODOT. The proposed cost of resources was 5,873 hours of labor at a total cost of \$568,599. Furthermore, the proposal assumed the project would take two 12-week increments and, if the project commenced on May 1, 2012, it would move to the user acceptance testing phase by October 29, 2012. A standard workweek was defined as 40 hours, with additional time pre-approved by ODOT. On July 3, 2012, a purchase order was generated for \$281,344 for phase one of the project.

Based on the allegation received from the ODOT Office of Investigative Services and preliminary data compiled by the ODOT Office of Aviation related to time and attendance by Sogeti employees, the Office of the Ohio Inspector General (OIG) opened an investigation. The OIG interviewed employees at the Office of Aviation, and obtained copies of Sogeti employees'

² The Office of Aviation overview is taken from the ODOT website.

timesheets submitted to ODOT. The OIG also reviewed swipe card records, handwritten logs documenting sign-in times, and ODOT timekeeping records for the period of May 1, 2012, through November 30, 2012. In addition to the aforementioned records, available surveillance video was provided for the period of December 3, 2012, through January 6, 2013.

Anytime surveillance footage was available, a time and date stamp from the footage was used to document incoming and outgoing times, and was compared to swipe card records. Handwritten logs were maintained daily by ODOT and provided spaces for the contractors to document the time of entry and exit from the building. Sogeti timekeeping records were submitted to ODOT along with the invoice, and these records document the actual hours claimed as worked (including start times and end times). This set of data might also include discrepancies, as handwritten logs are prone to human error and manipulation.³

Although several individuals worked on the project over the eight-month period of time under review, the Office of the Ohio Inspector General focused specifically on the six employees who spent the most time working on the project at ODOT and who were identified by ODOT employees as having questionable timekeeping records – Matt Casey, Gregg Dearth, Brandon Every, Greg Finzer, Andres Lopez, and Mike Young.

The review by the Office of the Ohio Inspector General took into consideration whether there was a net variance in the time claimed by a contractor and the time supported by ODOT records. This means that days in which an employee worked for a greater amount of time (based on the surveillance video and handwritten logs) than what was claimed on his timekeeping records offset days in which the employee worked less than what was claimed. To calculate actual hours, the following formula was used: Time Out – Time In – (Break Time Out – Break Time In). In total, the variance between what was claimed and what could be substantiated based on supporting documentation, is depicted in the following chart:

³ It should be noted that there are some limitations to the records provided; swipe card records only document time of entry in a building. Most buildings do not limit the number of people who can enter when a card is swiped. This results in occasions in which multiple people enter and only one swipe card record exists.

Variance in Time Claimed and Actual Hours Worked

Contractor	Variance (hh:mm)
Casey	45:06
Dearth	10:17
Every	21:43
Finzer	4:50
Lopez	2:00
Young	23:21
Total	107:17

The chart shows a variance of over 100 hours that were not substantiated based on swipe records, surveillance footage, and handwritten logs documenting sign-in times.⁴

In a letter dated January 18, 2013, Sogeti responded to ODOT’s concern about time-reporting discrepancies. According to the letter, following a January 9, 2013, meeting with ODOT, Sogeti removed four consultants who were assigned to the project and began an internal investigation into the allegations. Sogeti also contacted its employees who currently work on other state contracts to reinforce policies on timekeeping and correct time reporting.

The letter from Sogeti acknowledged “sloppy time-reporting” and a “lack of attention to accurate time reporting as the project progressed;” and further surmised the discrepancies in time were largely related to periodic breaks and lunches. Additionally, Sogeti suggested the video logs did not capture hours worked on the project outside of the facility (including parking lot discussions and work at home, on the weekends, and while on leave). To remedy the discrepancies, Sogeti representatives said they would ensure the invoice for the December period reflected accurate billing time and offered to provide ODOT an immediate credit in the amount of \$15,000. Moreover, Sogeti would determine appropriate disciplinary action to be taken for its employees.

[\(Exhibit 1\)](#)

A review of handwritten logs also identified questions relating to how employees signed-in; specifically, logs revealed that not all morning sign-in entries were time sequential. It should be

⁴ All records available for the given days were used. However, if swipe records were not available, investigators relied on time-stamped surveillance screen shots and/or documentation of sign in.

expected that an employee who arrived at 7:00 a.m. would have signed in on the log before an individual who arrived and signed in at 7:15 a.m. This was not always the case. For instance, on Friday, May 18, 2012, Matt Casey's start time of 6:15 a.m. follows the start times of all other contractors who reported working that day and starting their days at 7:40 a.m.

CONCLUSION

The Ohio Department of Transportation identified six Sogeti contract employees who were submitting time sheets for hours worked that did not match swipe card data, sign-in logs, and security videos maintained by ODOT. This evidence showed the contractors were producing timekeeping records which reported more time at work on the ODOT contract, than the number or hours actually worked, thus inflating the cost of the contract. After interviews the Office of the Ohio Inspector General conducted with ODOT Aviation employees and additional records were obtained, an analysis was conducted for the entire project time period. The review of supporting documentation maintained by ODOT showed a discrepancy between the actual hours worked by Sogeti contractors and the time submitted to ODOT, which totaled over 100 hours during the eight-month period of time records were reviewed.

Accordingly, the Office of the Ohio Inspector General finds reasonable cause to believe wrongful acts or omissions occurred in these instances.

Sogeti has acknowledged some discrepancies in time reporting, and offered explanations for others. Sogeti also offered ODOT remedies – correcting timekeeping records to reflect accurate billed hours and a \$15,000 credit on future bills. ([Exhibit 1](#))



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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
February 18, 2014

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