



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

RANDALL J. MEYER, INSPECTOR GENERAL

FOR IMMEDIATE RELEASE

OHIO INSPECTOR GENERAL INVESTIGATES PRIVATE BUSINESS ACTIVITY BY OHIO  
DEPARTMENT OF TAXATION AUDITOR  
Columbus, Ohio, August 12, 2015

The inspector general has issued a report of investigation initiated after receiving a complaint from the Ohio Department of Taxation. Administrators at the agency alleged an audit division employee was working on matters involving a private business while at work for the state agency.

Ohio Department of Taxation administrators explained the employee, Lu Zhang, a certified public accountant, received prior approval after her superiors determined the private business would not present a conflict. Approval was given on the condition that, among other things, Zhang not conduct the private business during state agency work hours or use state government resources.

However, a forensic analysis by investigators showed that within 24 hours of receiving approval to pursue the private business, Zhang began immediately using state-issued equipment and the government's email system to work on her private business. These activities were also pursued during days and times when Zhang claimed to be at work for, and received pay from the state of Ohio. The inspector general also found evidence showing Zhang exploited her ability to access Ohio Department of Taxation database records to review the confidential tax filings for a number of entities in direct competition with her private business.

While on administrative leave, Lu Zhang resigned from her position of employment with the Ohio Department of Taxation.

The inspector general's report of investigation will be provided to the Franklin County Prosecuting Attorney, the Columbus City Attorney, and the Accountancy Board of Ohio, for further consideration.

Ohio Inspector General Report of Investigation file number 2014-CA00065 is now available at:  
<http://watchdog.ohio.gov/Investigations/2015Investigations.aspx>

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