



Department of Justice

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FEDERAL OFFICIALS ANNOUNCE EFFORTS TO FIGHT STIMULUS FRAUD AND CORRUPTION IN OHIO

COLUMBUS - United States Attorney Carter M. Stewart of the Southern District of Ohio and United States Attorney Steven M. Dettelbach of the Northern District of Ohio today announced a joint initiative with the FBI to prevent, detect, and deter fraud and corruption related to federal stimulus funding.

In an effort to prevent misuse of these funds, the U.S. Attorneys along with C. Frank Figliuzzi, Special Agent in Charge, Federal Bureau of Investigation, Cleveland Division, and Keith L. Bennett, Special Agent in Charge, Federal Bureau of Investigation, Cincinnati Division sent a letter this week to 158 public entities receiving stimulus funds. The letter advised these entities that while these unprecedented levels of funding provide an important opportunity to maintain and improve the quality of life in Ohio, they also carry important responsibilities.

“The Recovery and Reinvestment Act of 2009 is an unprecedented undertaking on the part of government to improve the lives of all of our citizens,” said U.S. Attorney Steven M. Dettelbach. “But, the message of this letter is simple. Public Officials have a duty to ensure that these funds are not stolen and that they don’t support corrupt activities. To put it bluntly, we are watching.”

U.S. Attorney Carter M. Stewart said “Our purpose in sending the letter is communicate clearly to those receiving stimulus funds that the public expects them to exercise all due diligence to prevent waste, fraud and abuse. We look forward to working with these entities to protect the public funds and to pursue any allegations of wrongdoing, if prevention fails.”

The United States Attorney’s Offices and the Federal Bureau of Investigation are asking public entities receiving significant stimulus money to do the following:

- I. Institute internal controls to prevent fraud, bribery, and conflicts of interest, and to train employees in these controls and in the rules governing expenditures of public monies.
- II. Conduct due diligence to insure that vendors and contractors also institute internal controls to prevent fraud, bribery, and conflicts of interest and train their employees in those controls and in the rules governing expenditures of public monies.
- III. Contact the FBI at (216) 522-1400 in Cleveland, or at (513) 421-4310 in Cincinnati, if public entities, their employees, or members of the public detect any evidence of fraud, bribery, or conflict of interest with respect to the expenditures of stimulus monies.
- IV. Contact the United States Attorneys Offices if the public entities receiving stimulus funds would like to receive training regarding the federal statutes used to prosecute fraud, bribery or conflicts of interest in connection with federal funds.
- V. Contact the Ohio Ethics Commission at (614) 466-7090 (www.ethics.ohio.gov) or the Ohio Inspector General’s Office at (614) 644-9110 (www.watchdog.ohio.gov) for information regarding state laws governing state and local public contracting and conflicts of interest.

As United States Attorney General Eric Holder has said, it is essential “that the taxpayers’ investment in America’s economic recovery is not siphoned away by a dishonest few.” Federal officials thanked their state law enforcement partners, including the Ohio Ethics Commission and the Inspector General’s Office for their assistance in this effort. In 2009, public and private entities in Ohio were awarded stimulus funds totaling more than \$6 billion through the American Recovery and Reinvestment Act of 2009.

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