



**VIA EMAIL**

August 21, 2015

Ms. Cynthia Carrasco  
Inspector General  
Indiana Office of Inspector General  
[ccarrasco@ig.IN.gov](mailto:ccarrasco@ig.IN.gov)

Re: IEDC Report on Conflict of Interest & Screening Procedures

Inspector General Carrasco,

In its Advisory Opinion No. 13-I-33 (“Advisory Opinion”), the Indiana State Ethics Commission (“Commission”) reviewed the Indiana Economic Development Corporation’s (“IEDC”) Confidentiality and Conflict of Interest Policy (“Policy”). In relevant part, the Policy contains identification protocols and a four-step screening procedure when a member of the IEDC’s Board of Directors (“Board”) has a direct or indirect financial interest in a company to which the IEDC is considering offering a state incentive. The Commission found it appropriate for the IEDC to implement the Policy without requiring the relevant Board member to request an advisory opinion beforehand and it required the IEDC to report that a potential conflict of interest was identified and that the screening procedures were implemented.

On May 6, 2015, the Board approved awards of state incentives to a company in which a member of the Board elected to recuse himself from discussions pertaining to approval of said awards. In compliance with the Advisory Opinion, the IEDC submits this report.

*OSC Holdings, LLC: Skills Enhancement Fund &  
Economic Development for a Growing Economy Tax Credit – Mr. John Mutz*

John Mutz is a member of the Board, and also serves on the Board’s economic policy committee. On March 15, 2015, Mr. Mutz submitted his annual Conflicts of Interest Disclosure Statement to the IEDC, which in turn forwarded it to the Commission. Mr. Mutz reported that he is a board member and shareholder of Ontario Systems, which is the trade name of OSC Holdings, LLC (“OSC”).

On March 18, 2015, OSC, by its consultant, Tim Cook of Katz Sapper Miller, submitted its application for the Economic Development for a Growing Economy Tax Credit and the Skills Enhancement Training Fund, state incentives administered by the IEDC. OSC’s application was duly examined and evaluated pursuant to IEDC rules and regulations. On March 25, 2015, IEDC

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issued its preliminary approval of OSC's application, but expressly conditioned its approval upon final review and approval of the Board.

*May 6, 2015 IEDC Full Board Meeting*

On May 6, 2015, Governor Pence convened a full meeting of the Board, which was held at the IEDC. The Board meeting was open to the public. Mr. Mutz attended the meeting, but recused himself while the Board was apprised of and deliberated whether to approve the application of OSC discussed previously. The Board thereafter approved the application, and Mr. Mutz returned to the Board meeting after said approval.

Should you require any additional information, please do not hesitate to contact me.

Sincerely,

/s/

Chris W. Cotterill  
General Counsel