



Association of Inspectors General
524 West 59th Street, 3532N
New York, New York 10018

March 11, 2019

Joseph M. Ferguson
Inspector General
Office of Inspector General, City of Chicago
740 N. Sedgwick, Suite 200
Chicago, Illinois 60654

Dear Inspector General Ferguson:

The Association of Inspectors General (AIG) performed a Peer Review of the City of Chicago Office of Inspector General (COC-OIG) Investigations and Audit and Program Review (APR) Sections at your request. The Peer Review Team (PRT) evaluated the work of these two sections covering the last three years (November 1, 2015 through October 31, 2017). The PRT performed the review during the week of February 25, 2019 through March 1, 2019 at your office located at 740 N. Sedgwick, Suite 200, Chicago, IL 60654. The PRT assessed the work of the Investigations Section for compliance with the AIG Principles and Standards for Offices of Inspector General (Green Book) and the Audit and Program Review Section for compliance with the Generally Accepted Government Auditing Standards (GAGAS) (Yellow Book) issued by the U. S. Government Accountability Office (GAO). These standards are consistent with the qualitative standards under which your office's Investigations and APR Sections have operated throughout the review period. At your request, we also performed an informal assessment of the policies and procedures of the new Public Safety (PS) Section pursuant to the Green Book standards, however, the PS Section did not initiate or conclude any work products during the period under review.

The five person PRT consisted of the following individuals:

- James S. Smith, CIG, Deputy Inspector General, Office of Inspector General, Defense Contract Audit Agency, U.S. Department of Defense
- Robert A. Knox, CIG, Assistant Inspector General for Investigations (retired), Office of Inspector General, U.S. Department of the Interior
- Joanne M. Kraynak, CIGI, Senior Internal Investigator, Office of Inspector General, Florida Department of Revenue
- Carmen Weaver, CIGA, Investigator, Office of Inspector General, Defense Contract Audit Agency, U.S. Department of Defense

- Cesar Rodriguez, CIGA, Investigative Auditor, Office of Inspector General, Defense Contract Audit Agency, U.S. Department of Defense

On behalf of the PRT, I am pleased to advise that we found no reportable instances of failure to meet these standards. There are no limitations or qualifications on our opinion. It is the unanimous conclusion of the PRT members that the reviewed areas of the COC-OIG met all relevant major AIG and GAGAS standards for the period under review, with a minor deficiency concerning investigative training.

The remainder of this letter sets forth the purpose, scope, and methodology of the Peer Review.

Purpose:

The PRT conducted an independent, qualitative review of the COC-OIG's Investigations and APR Sections, focusing on their compliance with agreed-upon AIG and GAGAS standards. An informal review of the PS Section was also performed focusing on their compliance of the AIG standards.

Scope:

The Peer Review covered Investigations and APR Sections' operations, resulting work products, and related file materials chosen from closed investigations and completed audits between November 1, 2015 through October 31, 2017. The Peer Review's scope also covered the sections' compliance with their relevant policy and process manuals and procedural guides; staff qualifications; and professional training requirements. Lastly, the PRT assessed supervisory review and quality control over the work products, reporting of results, and the COC-OIG's relationship and communications with outside agencies. For this last step, the PRT met with external stakeholders with whom the COC-OIG frequently work, or who are the recipients of the COC-OIG work products. The PRT notes that the overall consensus of these stakeholders was that the COC-OIG "was exceptional."

Method:

The PRT generally followed the Peer Review/Qualitative Assessment Review Checklists developed by the COC-OIG for the Investigations and APR Sections. These checklists are based on the AIG and GAO Quality Standards. The PRT also called upon their own professional experience as senior managers of various Offices of Inspectors General and through their knowledge of and familiarity with best practices within the Inspector General community.

Prior to the actual on-site review, the PRT requested information from Investigations, APR, and PS Sections, including but not limited to policy and procedures manuals, complaint intake documents, closed case logs, a list of issued reports, and a list of external

stakeholders. The PRT used this information to randomly select the work products and related case materials that were ultimately reviewed.

On February 25, 2019, the PRT held an entrance conference with you and your executive leadership, during which time we explained the Peer Review scope, methodology, limitations, and proposed schedule. During that conference, we also delivered our request for sample review materials. During the week, the PRT conducted their fieldwork through examination of the selected case files. The PRT also interviewed staff from the PS, Investigations, APR, and other administrative sections. Interviewees for the sections included the chief of staff, general counsel, deputy inspector generals and chiefs; assistant inspector generals; investigators; performance analysts; program analysts; general counsel staff; and office support staff.

The PRT also reviewed the relevant personnel files of current Investigations, APR, Legal, Administrative, and Executive employees and reviewed their Training and Continuing Education files, and all relevant policy and process manuals and procedural guides. All file requests were met fully and timely.

The PRT also met with you and other members of your leadership team to gauge their involvement and interaction with PS, Investigations, and APR Sections, including:

- Brian Dunn, General Counsel
- Karen Randolph, Chief of Staff
- William Marback, Deputy Inspector General for Investigations
- Lise Valentine, Deputy Inspector General for APR
- Joseph Lipari, Deputy Inspector General for PS

The PRT interviewed numerous stakeholders external to the COC-OIG. These interviews were arranged in advance by your staff between the PRT and the stakeholders for the purpose of evaluating agency cooperation, effectiveness, and responsiveness. Stakeholders included the following:

- United States Attorney's Office
- Cook County State's Attorney's Office
- Alderman of the 40th Ward
- City of Chicago, Department of Aviation
- City of Chicago, Office of the Mayor
- City of Chicago, Emergency Management and Communications

Finally, the PRT held an exit conference with you and your executive leadership on March 1, 2019, during which time the PRT shared its conclusion that the COC-OIG met the AIG and GAGAS standards. PRT members provided observations and opinions gathered during the review. These observations did not limit or qualify the opinion of the PRT, but were shared with you and your leadership as possible areas of consideration going

forward. These observations, which will also include areas of distinction, will be detailed later in a separate management letter.

As noted above, it is the unanimous conclusion of the PRT members that the reviewed areas of the COC-OIG met all relevant major AIG and GAGAS standards for the period under review, with a minor deficiency concerning investigative training. The minor deficiency will be detailed in the forthcoming management letter.

On behalf of the AIG, please accept our thank you for the confidence placed in the Association by requesting that we conduct this review. The PRT would like to acknowledge and thank your designee, Rodrigo Fernandez, for all of his efforts in the coordination and planning of this event and for providing the necessary records and tools for a thorough and smooth review. The hospitality and professionalism was outstanding and commendable. Finally, on behalf of the PRT, please know that in all of our interactions with you and your staff, we were shown the respect and cooperation that is the hallmark of a professional staff truly interested in a full and open review of their work. At the same time, this has been a learning experience for each member of the PRT, for which we wish to convey our sincerest gratitude.

Please feel free to contact me or any member of the PRT should you have any questions.

//Original Signed//

James S. Smith, CIG
PRT Leader, AIG Peer Review for COC-OIG, February-March, 2019

- cc:
- Robert A. Knox, CIG, Assistant Inspector General for Investigations (retired), Office of Inspector General, U.S. Department of the Interior
 - Joanne M. Kraynak, CIGI, Senior Internal Investigator, Office of Inspector General, Florida Department of Revenue
 - Carmen Weaver, CIGA, Investigator, Office of Inspector General, Defense Contract Audit Agency, U.S. Department of Defense
 - Cesar Rodriguez, CIGA, Investigative Auditor, Office of Inspector General, Defense Contract Audit Agency, U.S. Department of Defense
 - Hector Collazo Jr., AIG Chair, Peer Review Committee