

Statement of First Deputy Inspector General Mary E. Hodge

To the City Council

November 6, 2009

Chairman Austin and Members of the City Council:

I am proud to appear before you today on behalf of the Inspector General's Office. Over the past year the IGO has continued to serve the citizens of Chicago as an independent and effective watchdog over City government. We believe that, given recent economic problems facing our nation and our City, the statutorily-mandated mission of the IGO – that is to identify and uncover corruption, fraud, misconduct, waste and inefficiency – is even more critical.

This is the first year we have submitted a budget proposal that does not request any staff increases. While we continue to believe that increasing IGO staff resources would benefit the City, we understand the difficult economic climate and recognize the need for all departments to make necessary sacrifices. Thus, our personnel budget has been submitted without change from last year's budget.

But in these tough financial times we are not content to simply maintain the status quo, and we have pro-actively identified significant non-personnel spending reductions (above the large cuts taken in 2009) that will reduce the IGO's non-personnel budget by 10%. The IGO non-personnel budget request for 2010 reflects cost-savings based on a 28% cut in the number of vehicles provided

for investigative staff. While this reduction may slow or limit the office's flexibility in certain investigations, we believe this is a difficult yet appropriate decision given current budget conditions. As a consequence of the fleet reduction, we anticipate reduction in gasoline costs, and have sought a 42% decrease in funding for fuel. These reductions amount to a savings of \$124,844.

Our request keeps all remaining accounts flat except that we seek an increase in funding for our training budget. Well-trained investigators, auditors and attorneys are vitally important to ensure fair, accurate and timely investigations, especially in light of the complex nature of corruption and white-collar fraud investigations. Therefore, based on our training expenses for 2009, we have requested \$15,000 in additional funds for training.

We continue to receive a large number of complaints and have developed an investigative staff able to identify, initiate and conclude meaningful investigations. We continue to work extensively with federal, state and local law enforcement agencies to investigate and prosecute a wide range of important criminal and administrative matters. These partnerships have led to significant criminal charges (and convictions) against City employees and contractors.

In the coming year, we will continue to work diligently on behalf of the citizens to aggressively uncover corruption, fraud, and waste in an independent, fair, and efficient manner.