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OIG Releases 1st Quarter 2014 Report

The City of Chicago Office of Inspector General (OIG) has transmitted its first quarter report for 2014 to the City Council and City officials. The report provides a summary of OIG activity from January 1 through March 31, 2014 and is available on the OIG website.

The first quarterly report of 2014 includes summaries of a number of high profile criminal cases originating from OIG investigations. Among other developments, final criminal sentences were imposed in a fraud scheme surrounding ICS Cable, Inc, a company falsely claiming Minority-Owned Business status. These convictions, stemming from OIG investigative work, culled corrupt operators from the ranks of City contractors. Last fall, the judge in this case also entered a \$2.2 million forfeiture judgment against the lead defendants. The City is ineligible to collect a share of this forfeiture judgment because it has not technically designated OIG as a law enforcement organization. An amendment to the Municipal Code would fix this problem and ensure recoveries of money that should go into City coffers do not go to others.

Also in this quarter's report:

- In response to an OIG Department Notification about the improper destruction of garbage carts by Department of Streets and Sanitation (DSS) workers, DSS urged that residents report damaged or unwanted garbage carts to 311 for collection by a refuse cart crew. It also asserted that it, "considers refuse carts to be City property," and that, "carts should never be placed in a refuse truck hopper."
- In 2009, seventeen Chicago Fire Department (CFD) employees assigned to the Fire Prevention Bureau (FPB) and Public Education Unit collected approximately \$35,269 based on falsified mileage reimbursement claims. Citing a previous arbitration ruling regarding an OIG case that established widespread mileage falsification by over 50 sworn members in the FPB in 2009, CFD declined to terminate the employees and instead issued suspensions ranging from 30 to 45 days.
- A DSS laborer drank alcohol and visited a local bar while on duty. OIG found that this laborer and others broke additional rules and consistently went home or to other locations well in excess of their 30 minute lunch breaks. The drinking laborer resigned in lieu of discharge. DSS also imposed 29-day suspensions on two other employees and issued a written reprimand to a ward superintendent responsible for managing the work of the laborers.

- OIG reported out two matters in which it found that Department of Water Management (DWM) employees improperly managed or traded scrap-metal from City work sites. In one, three employees received over \$6,000 in cash from private scrapyards in exchange for City scrap-metal. Based on the OIG investigation, DWM issued 29-day unpaid suspensions to each employee. Criminal convictions were also obtained by the Cook County State's Attorney against the scrappers involved in the offending conduct.

The full Report can be found online at the OIG website: www.chicagoinspectorgeneral.org.

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