

OFFICE OF THE INSPECTOR GENERAL
City of Chicago



REPORT OF THE INSPECTOR GENERAL'S OFFICE:

***INVESTIGATION OF MILEAGE REIMBURSEMENT CLAIMS IN
THE FIRE PREVENTION BUREAU***

OCTOBER 2011

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To the Mayor, Members of the City Council, the City Clerk, the City Treasurer, and the residents of the City of Chicago:

The Inspector General's Office (IGO) recently concluded an investigation of mileage reimbursement claims submitted by Chicago Fire Department (CFD) firefighters who are assigned as inspectors to the Fire Prevention Bureau (FPB). A detailed report of that investigation is attached hereto and may also be found on our website. A more extensive Summary Report that identified the individual subjects of the investigation and included the supporting evidence of their misconduct was delivered to the Office of the Mayor, the CFD, and the Department of Law on July 14, 2011.

In short, the IGO found that in 2009 – just a one-year snapshot of what many in the CFD volunteered has been a decades-long practice – 54 FPB inspectors and supervisors conservatively stole approximately \$100,000 taxpayer dollars by filing false certifications for mileage reimbursement. As the IGO does and will continue to do in cases involving theft of public money or property, and as it generally does and will continue to do in cases involving falsification of official records, we recommended the termination of the 54 offending FPB inspectors. (As detailed in the attached report, the IGO also made a number of program recommendations respecting the City's fire prevention inspection function based on information and analysis developed through the investigation.)

Based on his review of the evidence supplemented with further internal inquiry and analysis, the CFD Commissioner concurred with the IGO's findings of theft and falsification of official records. However, the Commissioner declined to terminate 50 of the 54 offenders. Of the 50 spared discharge, six retired before imposition of discipline, 43 are represented as having received unpaid suspensions of between 30 and 60 days, and one has been decided, but not yet disclosed due to administrative reasons. The distinguishing factor for the four who were terminated was that they previously had been the subject of termination actions for related conduct (involving the use of official authority for monetary benefit). In short, not one of the 54 offenders was terminated for the theft and falsification of official records established in this matter alone.

The reasons the Commissioner proffered for declining to take the action we recommended were grounded in pragmatic considerations (which inevitably factor into deliberations on disciplinary action.) The large number of offenders placed the Commissioner in an acutely challenging operational position – more than half of an important public safety-related unit was engaged in the systematic theft of taxpayer money. And he readily acknowledged that the conduct in this matter constituted "[d]ishonesty and falsification of official documents for personal gain by uniform members of the CFD" that "is and shall remain a dischargeable offense." With full respect for the Commissioner's difficult position resulting from the wholesale abuse of the public trust by 54 members of the CFD, I believe those pragmatic considerations falter in relation to the facts, good public policy and moral principle. I therefore write to respectfully explain the IGO's view of this matter and to recommend that the Administration undertake certain simple, cost-free measures to assure that public policy and moral principle may more easily prevail in any such future difficult situations.

The principle of public employment as a public trust is not merely an aspirational notion. It is enshrined in City law in the first section of the Code of Conduct of the City's Ethics Ordinance. Specifically, MCC § 2-156-020 states "**Fiduciary Duty.** Officials and employees shall at all times in the performance of their public duties owe a fiduciary duty to the City." This principle underscores the Commissioner's view that the inspectors' conduct "is and shall remain a dischargeable offense." But in this matter the Commissioner yielded the principle on the basis of a non-binding administrative precedent – an arbitrator's ruling in a prior matter overturning the CFD's termination of FPB inspectors who had used their official authority for monetary benefit. The Commissioner, not unreasonably, surmised that terminations of the offending FPB inspectors would not hold up under arbitration because the misconduct was known and condoned by supervisors (some of whom not merely encouraged, but were themselves engaged in the same felonious behavior). Moreover, it has been publicly suggested that the arbitrations of terminations would be costly, possibly exceeding the amount already stolen from the taxpayer.¹

While passing on termination, the thirty to sixty day unpaid suspensions are still very significant discipline. The offending FPB inspectors apparently agree because rather than demonstrating chastened humility due to their dishonesty and felonious conduct or gratitude for having been spared the axe, Firefighter's Local 2, which represents the inspectors, has to date filed grievances against the City on behalf of 51 of the 54, asserting, among other things, that the suspensions were handed out "without cause," and further protesting lost furlough days resulting from having been placed on administrative leave following this investigation. So now the City has sacrificed principle (and reputation) without sparing itself the burden and cost of the grievance process and arbitrations that typically follow.

And that principled position, important on its own terms, has even greater significance here. Fire Prevention Bureau Inspectors, as is the case with all of their firefighter brethren, serve the public and the Department as sworn, uniformed officers. Upon graduating from the Fire Academy, all new firefighters take the following Oath of Office:

I . . . {your name} . . . do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Illinois, the Ordinances of the City of Chicago, The Code of Conduct, the Rules and Regulations, the practices and procedures of the Chicago Fire Department, and that I will faithfully discharge the duties of a member of the Fire Department.

The oath is nearly identical to that taken by officers of the Chicago Police Department. In addition to serving the public as sworn officers, the work of FPB personnel is relied upon for regulatory purposes and legal proceedings of an administrative, civil and occasionally criminal nature. The credibility of its inspectors is therefore critical to the mission of the FPB. The inspectors who, as revealed in this investigation, have habitually falsified official City records for personal benefit have irrevocably tainted their credibility. The effect of their misconduct may disqualify each of them from effectively executing core FPB functions and, in turn, from holding a sworn public safety position. Further, the conduct revealed in this investigation may be the subject of cross-examination in contested proceedings in which the inspectors appear as witnesses, see Fed. R. Evid. 608(b) ("Specific instances of conduct"), and further qualifies as impeachment material that should, in principle, be disclosed in any contested proceeding involving the findings, certifications, official records or testimony generated by an offending inspector. Cf. *Giglio v. United States*, 405 U.S. 150 (1972) (requiring disclosure in criminal case of information impeaching of government witness' credibility).

¹ Subsequent calculations by the CFD based on the drop in mileage reimbursement claims in the FPB after the Commissioner revised the policy and procedures suggests that that in recent years the theft of taxpayer money from this decades long practice was approximately \$200,000 annually, double the IGO's very conservatively drawn estimate for the 2009 calendar year.

We are deeply concerned about the problems created for the City by retaining sworn, uniformed personnel who have stolen and lied in the course of their duties. We addressed this matter at length in our report because of the importance of the work conducted by FPB inspectors. CFD did not address this issue in its response, leaving open for argument the integrity and reputation of sworn public officer status and the value the Department places on those virtues. It further calls into question the truthfulness of FPB inspection reports, upon which millions of people rely and which are designed to protect lives and property.

There have been public suggestions that the conduct here reflects a “cultural” problem particular to the FPB. The FPB undoubtedly has had more than its proportionate share of scandals in recent years. But the recurrent and public nature of the scandals inevitably raises a question of whether the cultural issues reside solely within the FPB. The FPB is staffed mostly with firefighters who come from suppression assignments, and, after a tour in inspection, flow back to suppression, therefore raising the question of whether that troubling “culture” has flowed back into the broader Department with them. In the present case, a senior employee in the Finance Division had identified clear signs of programmatic mileage fraud in 2008. However, the matter was never elevated or addressed, indicating the presence of other “cultural” issues within the Finance Division and senior Administrative ranks that might explain why the misconduct in this investigation was allowed to flourish.

If this is a cultural issue, it is arguably not even particular to CFD. Earlier this year, in the waning days of the prior Administration, the IGO recommended termination in a similar case involving two Foreman of Linemen in the Office of Emergency Management and Communications (OEMC). Each claimed mileage reimbursement for days in which IGO surveillance observed that their vehicles never left the OEMC parking lot. During the course of their interviews with IGO investigators, the two repeatedly described their rationale for such behavior as, “past practice,” i.e., We lied about our mileage and signed false certifications because it has always been done this way. The then-Executive Director of the OEMC likewise suspended, rather than fired the offenders. Concerned the prior Administration was unaware of this outcome, the IGO wrote a separate letter to the former mayor indicating the IGO’s position that the punishment for theft should be more severe. The IGO did not receive a response from the former mayor’s office.² The then-Executive Director of OEMC has since moved on. He is now a CFD Deputy Fire Commissioner.

Instead of a cultural issue, we believe that the present case, as with earlier FPB scandals, speaks to the existence of a longstanding managerial issue. Managerial issues are more easily remediated than cultural ones, and the CFD Commissioner, who has devoted his career to the mission of the CFD, may be the perfect man for the moment. But we believe he (and other Department heads) need a little bit of an assist from the Administration.

The Commissioner and the Administration have each acknowledged the difficulty of discharging employees covered by collective bargaining agreements (CBA), a problem not of their making, but of prior administrations that ceded the managerial ability to discipline their own employees to others, in exchange for other expediencies.³ The City right now should hit both the cultural and managerial “reset” buttons through an executive order that declares theft and dishonesty of any kind established by a preponderance of the evidence will result in termination. Such an express declaration from the Administration would make clear that supervisory directive, authority, encouragement or acquiescence relating to theft and dishonesty will not be considered a mitigating factor, but rather obligates the employee to report the supervisor (and any known transgressors) to the IGO for appropriate inquiry.

² IGO file 08-0578, reported out publicly in the IGO’s 2nd Quarter 2011 Quarterly Report

³ The difficulty in discharging covered employees who have engaged in theft and falsification here is of a piece with the City’s continuing practice of paying employees after they have been charged *and convicted* of public corruption crimes, including bribery. The IGO highlighted this oddity in its 3Q 2010 Quarterly Report in summarizing developments in the ongoing *Operation Crooked Code* operation. The recommended policy change to end this practice has gone unanswered.

Through a clear directive, the City could begin to regain the ability to discharge employees who steal and, in the process reclaim critical ground as the fiduciary for the taxpayers. This simple concept is surely one that workers and managers governed by CBAs could agree should be a fundamental precept of employment, just as it assuredly is in the private sector. There is precedent for such action; the Illinois Tollway Commission recently fired and referred for prosecution 12 toll collectors after issuing a new zero tolerance policy for the theft or misuse of public funds.⁴

The IGO supports the Mayor's intent to remedy the "systemic cultural" problem both in the FPB and elsewhere in the City. The IGO also applauds the City Comptroller's recent steps, undertaken at the direction of the Mayor, to tighten the rules regarding mileage reimbursement for all City employees – including those in Departments not suspected of being culturally challenged. The IGO recommends further action, namely issuing an executive order and accompanying guidance to City personnel that theft cannot and will not be tolerated and that it is the obligation of each employee to immediately report to the IGO any manager who condones or encourages such conduct.

Respectfully,



Joseph M. Ferguson
Inspector General
City of Chicago

⁴ The Illinois Tollway Commission, operating under a new "zero tolerance for theft or misuse of public funds" policy, recently terminated and referred for prosecution 12 toll collectors – non-sworn personnel -- for theft of smaller amounts of money, over a shorter period of time than involved in this case. *See* http://articles.chicagotribune.com/2011-09-29/news/chi-illinois-tollway-12-employees-stole-as-much-as-25000-20110929_1_inspector-general-james-wagner-executive-director-kristi-lafleur-illinois-tollway.

I. INVESTIGATION OF MILEAGE REIMBURSEMENT CLAIMS IN FPB

The Inspector General's Office (IGO) recently concluded an investigation¹ of mileage reimbursement claims submitted by Chicago Fire Department (CFD) firefighters who are assigned as inspectors to the Fire Prevention Bureau (FPB). Reviewing reimbursement forms that FPB inspectors submitted in 2009 – just a one-year snapshot of what many in the CFD volunteered has been a decades-long practice – the IGO found that dozens of inspectors habitually falsified their reimbursement claims by systematically overstating the number of miles they drove in their personal vehicles when performing inspections and other FPB-related business. Once presented with their reimbursement claim records during IGO interviews, many inspectors admitted, that in completing their reimbursement requests, they simply divided the maximum allowable reimbursable mileage total by the number of days they worked in the month regardless of the number of miles they actually drove. The fraudulent practice of receiving “free money” from falsified mileage reimbursement claims was regarded within FPB as an entitlement and was described several times as a “perk” of working in the FPB – an assignment which many CFD personnel perceive and expressly regard to be less desirable and prestigious than working in fire suppression. Many inspectors reported being assured by their supervisors that the accuracy of their reimbursement claims would not be challenged. One inspector reported having been chided for taking “food out of the mouths of his family” when his supervisor discovered that the inspector was not falsely claiming the maximum mileage reimbursement. In several cases, the same supervisors were themselves submitting falsified mileage reimbursement claims. The evidence established that the FPB mileage reimbursement forms were completed with the intent to maximize payout rather than to truthfully claim reimbursement corresponding to mileages actually driven by the inspectors.

The CFD knew of this problem as long ago as 2008 when a senior member of CFD's finance division conducted the first of two internal sample reviews of mileage reimbursement claims. The small sample review conducted in 2008 was reported as having revealed exceedingly high mileage reimbursement requests; in one case, an inspector claimed and was reimbursed for 50 miles for driving between the Daley Center, City Hall, and the Cook County building. The internal reviews also uncovered an inspector who resubmitted photocopied reimbursement forms on which only the dates were changed. The CFD finance division took no action in response to the 2008 internal review and neither the CFD Internal Affairs Division nor the CFD command appears to have been apprised of the review or the systemic misconduct it suggested. The second CFD internal sample review occurred in 2010 – after the IGO initiated this investigation and had requested documents and information from CFD (including its finance division) – and revealed the same pattern of theft and falsification of reimbursement claims suggested by the 2008 review. In the wake of this second sample review and amidst the IGO's ongoing investigation, the CFD implemented a June 2010 general order and new reimbursement form that requires inspectors to input additional and more precise information to support a reimbursement claim. However, the newer form does not require an inspector to certify the accuracy of the claim as had been required by the old form.

¹ IGO Case Number 10-0078.

Initial media reports of the IGO investigation late in 2010 prompted a public claim by Mayor Daley that the IGO's discovery of the activities reported to be under investigation came from the use of data from GPS tracking from the inspectors' City-issued cellular phones that purportedly had been installed by the Administration in response to a prior, unrelated FPB scandal in 2007.² As such, press reports indicated the prior Administration took credit for the then-ongoing IGO investigation.³ This claim was inaccurate.⁴ The IGO investigation was not precipitated by, nor did it require, the use of GPS data. Indeed, the IGO learned during this investigation that the CFD did not even begin monitoring its inspectors through cellular phone-embedded GPS tracking until April 2009. Moreover, several FPB inspectors reported to the IGO that even after April 2009 they did not consistently have their telephones turned on throughout their workday. Rather than GPS tracking, which was neither comprehensively nor consistently available for the period under investigation, the IGO compared information the inspectors personally submitted (and certified as accurate) on their mileage reimbursement claim forms, (as well as some other documentation where available), against the results of web-based mapping software.⁵ The IGO analysis employed conservative assumptions, generous margins of error, and extended benefits of doubt and favorable inferences to the information the inspectors provided on their certified reimbursement claim forms. But far more compelling evidence than IGO analysis of the reimbursement claim forms were the interview statements provided by the inspectors themselves. In their own words, under oath, in court reported interviews, many of which were conducted in the presence of union representatives and/or lawyers, numerous inspectors described a longstanding and widespread practice of mileage falsification at the FPB.⁶

Based on this and other corroborating evidence, the IGO concluded that 54 firefighters assigned as inspectors to the FPB knowingly and intentionally committed fraud and theft against the City by padding their mileage reimbursement totals to receive more money than that to which they were entitled. Further, the practice extended to and was condoned by the FPB's supervisory ranks. The theft of City funds through overstated reimbursement requests was so commonplace and systematic in the FPB that many of the inspectors we interviewed were indifferent to the fact they were stealing money, with some acknowledging the practice of routinely overstating mileage totals but refusing to acknowledge their conduct as theft and some further expressing entitlement to act as they had. Some inspectors faulted the CFD for a lack of proper training as the reason for their consistent falsification of reimbursement claims. In essence, these inspectors defended their theft of City funds by saying they were never instructed not to steal the money of City taxpayers and, more specifically, were never directed not to claim and accept reimbursement for mileage they did not actually drive.

² The 2007 scandal did not relate to mileage reimbursement fraud, but rather related to FPB inspectors engaging in non-official, personal business while in the field and on the clock. See <http://www.myfoxchicago.com/dpp/news/metro/firefighters-falsified-mileage-reports-fire-prevention-bureau-lied-investigation-20101109..>

³ "Daley Takes Credit for Fire Department Audit's Findings," *Chicago Sun-Times*, Nov, 9, 2010; <http://www.myfoxchicago.com/dpp/news/metro/firefighters-falsified-mileage-reports-fire-prevention-bureau-lied-investigation-20101109>

⁴ The IGO informed the administration of the inaccuracy of the Mayor's public claim when it was first published, but no apparent action to correct the record was undertaken.

⁵ The IGO does not regard Mayor Daley as having knowingly advanced incorrect information, as the IGO investigation was ongoing and had yet to be reported out to the Administration.

⁶ IGO interviews must be conducted in accord with extensive legal, administrative and contractual employee rights and procedures. See <http://chicagoinspectorgeneral.org/about-the-office/igo-investigation-faqs/>.

On July 14, 2011, the IGO submitted to the CFD a report of its findings in this investigation. Among the IGO's disciplinary recommendations was the termination of 54 inspectors for theft of City funds, conduct unbecoming a City officer, falsification of official City documents, as well as for violations of the CFD's Code of Conduct.⁷ The IGO's conservative calculations placed the aggregate fraudulent theft for the 54 sworn officers for the 2009 calendar year alone at approximately \$110,000. In light of the broad acknowledgement that this practice was the norm in the Bureau for at least 20 years, the loss to the taxpayers resulting from this systematic fraud may reasonably be inferred to run to seven figures. On September 14th and 15th, 2011, Commissioner Robert Hoff informed the IGO of the disciplinary actions he would impose on the inspectors. Hoff concluded that the evidence adduced by the IGO investigation established actionable violations by all 54 FPB inspectors identified by the IGO. He stated that four inspectors "who have already received discipline in the past for related offenses" would be terminated. Further, Commissioner Hoff stated that 43 inspectors would receive suspensions ranging from 30 to 60 days⁸ and six other inspectors resigned under inquiry. As of October 14th, one of the 54 inspectors still had not been notified of the Commissioner's disciplinary action against him/her. Further, for all but three of the 53 inspectors who have been notified of the CFD's disciplinary actions, the firefighter union has initiated grievance procedures under the collective bargaining agreement between the City and Chicago Firefighter's Union, Local 2 (AFL-CIO-CLC).⁹ The IGO will continue to track the grievance procedures and report publicly on final outcomes in the future.

II. BACKGROUND ON THE FIRE PREVENTION BUREAU AND ITS INSPECTORS

A. The Work of the Fire Prevention Bureau

The Fire Prevention Bureau in the Chicago Fire Department "inspects schools, institutions, and places of public assembly for compliance with the City of Chicago's fire code."¹⁰ Its inspectors mainly inspect buildings to detect the presence of fire hazards and to

⁷ Termination is the standard IGO disciplinary recommendation in cases involving theft by a City employee. It will continue to be the IGO's recommendation in such cases notwithstanding the final action taken in this and another recent matter which involved unsworn personnel of another City, public safety-related Department. In that other matter, the IGO recommended the termination of two OEMC foremen of laborers for submitting false and fraudulent claims forms to collect mileage reimbursement at times when IGO surveillance established that their vehicles never left the OEMC parking lot. IGO # 08-0578 reported in <http://chicagoinspectorgeneral.org/wp-content/uploads/2011/04/2011-Q1-Report.pdf> at pp. 10-11. The OEMC Executive Director imposed discipline of 25 and 30-day suspensions respectively. Because the outcome countenanced theft of taxpayer money, the IGO petitioned the former Mayor to review the matter. No response was received. The OEMC Executive Director at the time was previously a high-ranking official in the Fire Department, to which in the new Administration he has since returned to the CFD as a Deputy Fire Commissioner.

⁸ Of the 43 suspensions: Three inspectors received 60-day suspensions, 23 received 45-day suspensions, and 17 received 30-day suspensions.

⁹ http://www.cityofchicago.org/content/dam/city/depts/dol/Collective%20Bargaining%20Agreements/CFFULocal2_07_012.pdf

¹⁰ City of Chicago. 2011 Program and Budget Summary. pg. 164.
http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2011_Program_and_Budget_Summary.pdf

ensure that fire extinguishers, sprinkler systems, pipes and pipe connections are in working order. FPB's inspectors are segmented into several different sections that conduct fire safety and prevention inspections at (among other places) office buildings, nightclubs and restaurants, schools and universities, commercial buildings, underground storage tanks, and hospitals. They also observe testing of water pumps and inspect new construction sites. The inspectors' findings can result in fines and orders for building owners to make necessary repairs. The FPB Manual contemplates that these findings may become evidence in court: "Since fire inspection is basically a law enforcement operation, all aspects of an inspection must be accurate. An inaccuracy in a violation notice could be grounds for dismissal in court."¹¹ Most FPB inspectors are assigned to one of five CFD addresses: the Central office at 444 N. Dearborn St., the South office at 7974 S. South Chicago Ave., the West office at 1101 S. California Ave., the North office at 3401 N. Elston Ave., and the Underground Storage Tank inspectors' office at 3015 W. 31st St.

B. Staffing in FPB

When this investigation started in early 2010, there were 104 FPB inspectors. All of the inspectors are sworn CFD firefighters who graduated from the CFD's fire academy. The majority of inspectors have worked for the CFD for more than 20 years and most of them had been assigned to firehouses as fire suppression personnel at some point in their careers. Six of the inspectors were assigned to FPB upon graduation from the fire academy (or shortly thereafter) and have remained in the Bureau ever since, meaning they have never been assigned as firefighters in their lengthy CFD careers or were so assigned for only a short time.

III. SERVING IN THE FPB IS NOT PERCEIVED BY FIREFIGHTERS AS A DESIRABLE ASSIGNMENT

Although FPB inspectors swear the same oath, and have the same training and position ranks as firefighters, CFD personnel reported to the IGO that an assignment to the FPB is generally not popular among rank-and-file CFD members for a number of reasons. There is far less prestige attached to being an FPB inspector as opposed to being a first-responder firefighter. In fact, the CFD itself makes *de facto* distinctions between fire inspectors and fire suppression firefighters – those CFD personnel assigned to fire engines and trucks. "Fire Inspectors are not as popular as Firefighters" states the FPB Manual, referring to the public's familiar image with the work of a firefighter in comparison to the inspectors' mission to cite violations and fire hazards which can be costly to remediate.¹²

Also, the work schedule of FPB inspectors is disfavored among CFD personnel. Inspectors work 10-hour shifts from Monday through Thursday or Tuesday through Friday in contrast to the schedules of fire suppression firefighters who are on-duty at firehouses for 24 hours and then off for 48 hours. In an interview with IGO investigators, a senior CFD supervisor

¹¹ FPB Manual, "Thoroughness." Available here: <http://www.cityofchicago.org/city/en/depts/cfd/provdrs/prevent.html>

¹² FPB Manual, "Courtesy."

within the FPB remarked that the FPB is historically staffed with personnel who would rather not be there and seek reassignment out of the FPB as soon as possible. He said firefighters would rather work in a firehouse eight or so days per month rather than the four-day/10-hour per week shift in the FPB because, for one reason, the FPB's schedule interferes with a firefighter's ability to engage in secondary employment. The schedule also precludes opportunities to receive overtime, the supervisor said.

The dislike among firefighters of the FPB's hours of operation should not be underestimated because it partially explains why the mileage reimbursement became viewed as an inducement for firefighters to accept assignments as inspectors. In a separate IGO interview, another high-ranking CFD official compared the benefits of working in "the field" as a firefighter compared to assignment in the FPB:

What we [firefighters] love to do is out there [pointing to the street], we would love to be on the fire truck, we love to be able to do one [day] on, two [days] off, work eight days a month and get 54 days vacation a year. There's no impetus to change that unless you pay me more, so technically that was the one – that's the reason why there was mileage in the Bureau when it first started. They had to give them something in order to make them shift over to want to do this . . .

That CFD official continued, explaining that mileage reimbursement was something the CFD offered in an effort to even out the perks enjoyed by firefighters assigned to fire suppression: "They don't even work holidays in the Bureau. You're off, but you don't get paid for it. The guys in the field they get off, time and a half working holidays, and if the holiday falls on your vacation you get money too. That's what has historically happened in the Fire Prevention Bureau in order to keep people in there – there's nothing else they get, and that's – everybody in the Fire Department would have that same answer, whether they were in the Bureau or not." Still, the CFD official said that the mileage reimbursement was not a "perk" meaning a payment "over and above compensation":

"No, that's not the way we're looking at it – I mean we, Fire Prevention, there has to be some incentive to make you want to change your hours, so that's what it was used for. With no other word to explain it, for you it's – I could say perk, and that's exactly what everybody else on the job would say, but it's not over and above, it's just something to get you there." He said the "money for mileage just causes you to be able to have some money, put gas in your car, so that was another impetus. If you didn't give them that, there would be no reason to have . . . Fire Prevention Bureau because no one – there's nothing that you get for this."

IV. REVIEW OF MILEAGE REIMBURSEMENT FORMS AND INTERVIEWS WITH FPB INSPECTORS REVEAL BLATANT FALSIFICATION OF MILEAGE REIMBURSEMENT REQUESTS

A. The Inspectors' Mileage Reimbursement Forms and Other Documentation.

The IGO reviewed the 2009 mileage reimbursement forms (MRFs) for each FPB inspector assigned to the Bureau at the time the IGO issued the CFD its request for documents. The IGO entered the addresses the inspector submitted (in the order they appeared on the MRF) into Google Maps which produced a driving route and the total number of miles required to drive it. In cases where Google Maps produced more than one driving route, we selected the longest route for our analysis to give the inspectors every benefit of the doubt. We then compared the Google Maps mileage number against the total miles the inspector claimed to drive for each corresponding date on his/her MRF. The IGO does not contend that FPB inspectors were required to or should have driven the exact route Google Maps produced or that, given construction projects, parking difficulties and traffic congestion, that driving the exact route Google Maps suggested would have necessarily been appropriate or possible. Nevertheless, Google Maps was a valuable tool in determining the distances required to drive to the addresses the inspectors wrote on their MRFs even allowing for variables such as an alternate route an inspector might choose.

The IGO's examination of the mileage totals that inspectors claimed to drive exposed a widespread practice of fraudulent overstatements on their reimbursement requests. A few examples from the several hundred reimbursement claims we reviewed (encompassing thousands of individual daily entries) illustrate the extent to which inspectors padded their mileage totals to receive more money than they were entitled to:

- On February 18, 2009, an inspector claimed to have driven from the FPB's central office at 444 N. Dearborn St. to downtown site inspections at 55 W. Illinois St., 108 E. South Water St., 313 N. Michigan Ave., 301 N. Michigan Ave., 114 E. South Water St., 444 N. Michigan Ave., 307 N. Michigan Ave., 444 N. Dearborn St., 55 W. Illinois St., and then back 444 N. Dearborn St. The driving distance among these addresses is only four miles. The inspector, however, claimed reimbursement for driving 53 miles on that date.
- An inspector claimed to conduct inspections at 547 W. Jackson St., 1 E. Wacker Dr., 111 S. Clinton St., 300 W. Adams St., 444 N. Dearborn St., 610 W. Randolph St., 55 E. Monroe St., 130 E. Randolph St., and 444 N. Dearborn. The driving distance between these addresses is 8.5 miles. But the inspector requested reimbursement for driving 67 miles.
- An inspector submitted that he drove to 2844 W. 47th St. and 8026 S. Kedzie Ave. The IGO's review showed the distance to travel between these two addresses (and including the distances to drive to the locations where he/she clocked-in for the day) is only 7.1 miles. The inspector, however, requested reimbursement for driving 45 miles on that date.

The IGO reviewed and analyzed hundreds of mileage falsifications as similarly egregious as these examples.

During the investigation, the IGO learned that many inspectors recorded their locations in Field Activity Records which they kept with them throughout their site visits. On the Field Activity Records, inspectors wrote the addresses they purportedly visited and the time they spent at each location. These forms were completed strictly for timekeeping purposes, not for recording mileage totals, and an inspector seeking mileage reimbursement was still required to submit separate MRFs in order to be paid. But reviewing Field Activity Records was very useful because they provided the IGO with separate, contemporaneous records of inspectors' whereabouts to compare with their MRFs. And in cases where an FPB inspector entered more street addresses on his/her Field Activity Records than appear on the MRF for the corresponding date, the IGO extended the benefit of the doubt and used the additional addresses in its mileage calculations. Unfortunately, the IGO was not able to review Field Activity Records in all cases because it is the FPB's practice to return to the inspectors the original copies of these records. In other words, the FPB does not keep a copy of its own activity records and is not independently able to verify the whereabouts and activities of its inspectors. In responding to the IGO's record request, therefore, CFD was able to retrieve the Field Activity Records only from the inspectors who happened to maintain these documents personally, but it was unable to produce the records of the many inspectors who did not keep them. In addition, most FPB supervisors stated that, because they are supervisors, they were not required to complete Field Activity Records at all even though they conduct the same field work as the inspectors do and have their own supervisors to whom they report. We found no written policy that excluded supervisors from the responsibility of completing Field Activity Records.

The actual inspection records maintained by the FPB also proved to be of little assistance to our investigation for a few reasons. First, and troublingly, the FPB's database does not reliably indicate the date when an inspection was conducted. While an "Inspection Date" column appears on the FPB's inspection database, our review showed that those dates most often reflect when the inspection was entered into the FPB's database which is not necessarily the date when the inspection actually occurred. Second, several inspectors told us that they do not always produce a report of a field visit. This problem had nothing to do with the database itself but with the manner in which FPB inspectors generate – or, more to the point, do not generate – reports for their site visits. We learned that while certain types of inspections (e.g., annual inspections) will always result in a written report, inspectors informed us that they also conduct other types of site visits (e.g., "reinspections" and "walkthroughs") without writing accompanying reports of their presence at the addresses visited. These stops may appear in the inspector's Field Activity Records, but they may not get recorded in the FPB's inspection database. For these reasons, a review of the FPB's inspection database was not illuminative in confirming or disconfirming whether inspectors were indeed present at certain addresses on certain dates.¹³

¹³ In all respects, these observations raise serious questions about the integrity, accuracy, administrative and legal reliability of FPB inspection recordkeeping, as well as questions about the accountability and transparency of what the CFD regards to be a critical part of its public safety function and responsibility. The investigation also revealed that FPB's inspection data entry function is staffed (at least in part) by highly-compensated firefighters and not less costly civilian employees.

B. The Inspectors' Interview Statements Depict the Widespread Practice of Falsifying Mileage Reimbursement Requests.

During their interviews with the IGO, numerous inspectors admitted that their mileage reimbursement requests were completed with the goal of collecting the maximum allowable monthly reimbursement (\$350 in 2009) regardless of the number of miles they actually drove on FPB business and that this practice was widespread throughout the Bureau. Several inspectors said that they simply divided the maximum reimbursement amount by the number of days they worked in a given month:

IGO: But how do you know how many miles you drove each day?

FPB Inspector: Let's go back. When I was trained, I was told that you take the days – you take whatever the maximum amount of miles are, and you take the number of days that you worked, and you divide it by whatever the number is. That's how the miles were distributed per day.

* * *

FPB Inspector: Just that in order to get the maximum amount of mileage, you had to have so many miles per month, and you would kind of average it out for how many days you worked. That's what you would put down.

* * *

FPB Inspector: I just recall it was the amount of days worked divided by the amount of miles being offered. So it's a division thing at that point.

* * *

IGO: . . . And then you drive particular days throughout the month, and you just basically – you know, if you drove 10 days a month, let's say, on a particular month, you would take 10 and divide it by the – or the 700 and divide it by the 10 days you drove, and you get a breakdown of how many miles you should have for one day, is that right? Does that make sense?

FPB Inspector: Pretty much.

* * *

FPB Inspector: To get the max – it depended on the number of days I worked, and then what I come up with. I would spread it throughout the month.

* * *

Inspector: [W]e were told one reason to max was because the manpower, getting and keeping people in [the Fire Prevention Bureau], and this was an incentive to keep people in.

Other FPB inspectors did not admit to claiming the “max” every month, but said their monthly reimbursement claims were “guesstimates” or “estimates” rather than accurate recordings of their mileage totals taken from their odometers. This characterization, while facially less audacious than claiming the “max,” was still fraudulent and resulted in vast systemic overpayments to the inspectors. First, MRFs required the inspectors to record their odometer readings prior to submitting claims for mileage reimbursement and the practice of “guesstimating” is clear evidence that the requirement was ignored. Several inspectors freely admitted they did not consult their odometers (readings of which were a required component of the MRFs), some claiming they were too busy, others that it did not occur to them, and still others who said they were never trained to do so. Secondly, the purported method of “guessing,” was not really about attempting to accurately capture the approximate mileage an inspector traveled but was, in fact, simply another method of padding their totals every month, invoking the excuse that “this is how it’s done.” “[T]hat’s what they said,” one inspector said about the practice of “guesstimating;” “and if there was a problem, they would return [the MRF] to you.”

With few exceptions in the thousands of 2009 MRF entries by the inspectors against whom the IGO made disciplinary recommendations, the practice of “estimating” and “guesstimating” always resulted in overstatements of the miles required to drive between the addresses submitted on the forms, belying any suggestion that the inspectors were making good faith attempts to reasonably “estimate” or “guesstimate” the distances they traveled. We reviewed MRFs of some inspectors that reflected a “guesstimation” methodology but, for 2009 overall, the inspectors understated as well as overstated their mileage totals in near equal degree and their requests for the year were either on par or (or even below) the reimbursement amounts they should have requested. While technically these inspectors likely had not followed the instructions to complete their MRFs according to their odometer readings, the IGO made no findings of misconduct or disciplinary recommendations against them.

Other inspectors discussed “guesstimating” and “estimating” on their mileage reimbursement claims:

FPB Inspector: I just took an average of what I thought was a fair amount of mileage for each stop, and it should be about five miles per stop, that’s an estimate . . .”

* * *

IGO: Do you check your odometer reading at all?

FPB Inspector: No, we just estimated the mileage.

* * *

IGO: When you have an odometer reading here to the far corner or right of the [MRF], how do you come up with these numbers for the odometer month, day?

FPB Inspector: We don't use – we never use the odometer. I never use the odometer.

Q: I mean, so how did you come up with that number then?

A: Guesstimation.

Q: From your odometer reading?

A: No, from me.

Q: But you didn't, like, look at your car odometer reading and write down what you might have had from the beginning of that month?

A: No.

* * *

FPB Inspector: I guessed at the end of the month what my mileage was prior to June [2010], yes.

* * *

IGO: They were not an accurate representation of the miles driven, yes or no?

FPB Inspector: Not accurate, yes.

* * *

IGO: Did you report the actual miles driven on those reimbursement forms for each day?

FPB Inspector: No.

Q: Why not?

A: They were estimated.

Q: When you say 'estimated,' can you elaborate on that, please?

A: I didn't do it daily; I did it once a month.

* * *

IGO: Doesn't it say on top that's the odometer reading?

FPB Inspector: Yes, that's what it says.

Q: Is that your odometer reading on the first day of the month?

A: No, because of how you do the mileage.

* * *

IGO: Is that the odometer reading for January 2009, both readings which is 26,132 at the first day of the month and then 27,129 at the last day of the month, are those two accurate numbers?

FPB Inspector: No.

* * *

FPB Inspector: . . . I didn't read – we didn't – I didn't read the odometer. We just guessed what the miles were.

* * *

IGO: On March 3rd here we have 52 miles driven. How do you come up with that number of 52 as miles driven then?

FPB Inspector: I kind of just guess what it was, you know. You don't actually look at your odometer. It's a guesstimate, so to speak.

* * *

IGO: I'm wondering then why you wouldn't look at your odometer when you started out from point A and then look at it again when you arrive at point B?

FPB Inspector: I wasn't trained to look at my odometer. I didn't know anything about you should look – the person that showed me how – they wasn't saying 'Look at your odometer, this is how you do that.'

* * *

IGO: Do you physically look at your vehicle to read the odometer reading off of it?

FPB Inspector: No.

Q: Does anybody from your supervisory staff or anybody else check your odometer readings at any point?

A: No.

* * *

IGO: So basically do you check your odometer reading at the beginning of the month when you begin?

FPB Inspector: No, no, I don't.

* * *

IGO: And your odometer reading, is that the actual odometer reading you would be putting on these forms for your vehicle?

FPB Inspector: No, it wasn't. No. I mean, I would try to start off with it, but it just got so complicated. I kept consistency with my paperwork. It would get complicated trying to flow accurately per the number for my odometer to the paperwork.

Q: Because you had to like – you were using this formula for, I guess, to max out the miles that you couldn't reconcile that with your odometer reading?

A: I started off with my odometer reading when I first had the vehicle, but then it was just so complicated.

V. IGO RECOMMENDATIONS ARISING OUT OF THE FPB MILEAGE REIMBURSEMENT INVESTIGATION

A. Disciplinary Recommendations and Actions

The IGO recommended the termination of all 54 Fire Prevention Bureau inspectors whom the evidence revealed had engaged in programmatic theft through their repeated falsification, and false certification of mileage reimbursement forms extending over the course of years for most, and near decades for some. As noted earlier, the IGO recommends termination in all cases of theft or attempt theft of City resources.

The IGO regarded such a disposition all the more impelled by the fact that Fire Prevention Bureau Inspectors, as is the case with all of their CFD firefighter brethren, serve the public and the Department as sworn, uniformed officers. Upon graduating from the Fire Academy, all new firefighters take the following Oath of Office:

I . . . {your name} . . . do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Illinois, the Ordinances of the City

of Chicago, The Code of Conduct, the Rules and Regulations, the practices and procedures of the Chicago Fire Department, and that I will faithfully discharge the duties of a member of the Fire Department.

The oath is nearly identical to that taken by officers of the Chicago Police Department. In addition to serving the public as sworn officers, the work of FPB personnel is relied upon for regulatory purposes and legal proceedings of an administrative, civil and occasionally criminal nature. The credibility of its inspectors, both as a function of their sworn oath and their work, is therefore critical to the mission of the FPB. An inspector who has habitually falsified official City records for personal benefit has irrevocably tainted his or her credibility and thus, at a minimum, has wholly disqualified him/herself from effectively executing core FPB functions and, in turn, at a maximum, from holding any form of sworn public safety position. The long-term, serial falsification of official documents and theft revealed by this investigation significantly, if not fatally, undermined the credibility of the inspectors and their character for truthfulness. Based on this conduct they may be the subject of cross-examination in any contested proceedings in which they may appear as witnesses, see Fed. R. Evid. 608(b) (“Specific instances of conduct”), and their conduct and the Commissioner’s findings resulting from this investigation further qualifies as impeachment material that should, in principle, be disclosed in any contested proceeding involving the findings, certifications, official records or testimony generated by an offending inspector. *Cf. Giglio v. United States*, 405 U.S. 150 (1972) (requiring disclosure in criminal case of information impeaching of government witness’ credibility).

By memorandum dated September 14, 2011, CFD Commissioner Robert Hoff provided a detailed response to the IGO findings and disciplinary recommendations. See http://chicagoinspectorgeneral.org/wp-content/uploads/2011/10/CFD-Sept-14-Response_no-names.pdf. In overview, the Commissioner found that the evidence established the conduct and violations advanced by the IGO. Respecting discipline, the Commissioner noted that the conduct – “dishonesty and falsification of official documents for personal gain by uniform members of the CFD” – “is and shall remain a dischargeable offense.” However, based on an individualized review of each member, the Commissioner cited a number of “important mitigating factors,” that warranted discipline less than termination in all but four cases. The factors cited included, generally, “each member’s level of responsibility and career conduct.” More specifically, the “mitigating factors” were stated to include: (1) the longstanding nature of the falsification/theft practice; (2) the condoning of the practice by FPB supervisors; (3) supervisory assurances that the accuracy of mileage reimbursement claims would not be challenged; (4) past labor arbitrator rulings suggesting terminations under such circumstances might not be upheld; (5) disproportionate costs associated with the expected grievances that would ensue in the event of terminations; (6) impact to operations resulting from the termination of so large a number of inspectors, and; (7) the absence of “prior *related* discipline” for all but four of the 54 offenders (emphasis added).¹⁴ Based on the foregoing, the Commissioner stated his intention to impose the following discipline to the specified number of offenders:

¹⁴ The Commissioner was quoted in the local media as having stated that 43 of the offenders (the 54 less 4 terminated, 6 retired and 1 pending) had “otherwise clean disciplinary records.” Many among that offender group in fact did have clean disciplinary records; still others, however, did not. This factual inaccuracy we assume was either unintended or was the product of a misquoting of the Commissioner.

4 Inspectors -- Termination and placement on the City's Ineligible for hire list;
17 Inspectors -- 30 day suspension
23 Inspectors -- 45 day suspension
3 Inspectors -- 60 day suspension
1 Inspector -- Pending
6 Inspectors -- Retired and designated as "Resigned Under Inquiry"

The Commissioner additionally noted the following action:

- Implementation in June 2010 -- prior to the conclusion of the IGO investigation -- of a new CFD mileage reimbursement policy with corresponding training. The Commissioner noted that as result of the new procedures, payout on mileage reimbursement were reduced from \$305,462.58 in 2009 (the last full year under the old practice) to approximately \$93,287.88 (which is the annualized projection based on 2011 year to date).
- The replacement of two exempt rank chief officers in the command of the FPB, one who is reported as having resigned of his own volition and a second who was demoted to career service rank, neither of which action was the subject of IGO recommendations in this matter.

As of October 14, 2011, fifty-one of the fifty-three FPB inspectors (thus excluding the one FPB Inspector who has yet to be notified of the disciplinary decision) who the Commissioner either terminated or suspended, or who resigned under inquiry before discipline was imposed, have initiated grievance procedures against the CFD pursuant to the Firefighter's Local 2 collective bargaining agreement with the City. The IGO will track and publicly report the outcome of those grievance proceedings.

http://articles.chicagotribune.com/2011-09-16/news/ct-met-chicago-firefighters-firing-20110916_1_mileage-reimbursement-firefighters-union-gregory-boggs.

<http://southtownstar.suntimes.com/news/7683793-418/fire-commissioner-axes-four-firefighters-suspends-43-more.html>.

B. Program Recommendations and Responses

Based on the investigation, the IGO also made a number of program recommendations:

1. Convert the Fire Prevention Bureau into a Civilian Function

As attested to by the CFD's own practice of assigning firefighters to the FPB directly from the fire academy, experience in fire suppression is not a prerequisite to serving as an inspector in the Bureau. While some FPB functions may benefit from the expertise of trained fire suppression personnel, a review of FPB training materials and information gathered from interviews suggests that the duties performed by the majority of inspectors appear amenable to staffing by civilians.

In its 1999 Comprehensive Review of the CFD, TriData Corporation, a consulting firm hired by the City, concluded that "making use of civilians seems cost effective" for several CFD positions (in whole or in part) including fire inspectors "without losing quality if they are properly selected."¹⁵ We note that other cities including New York City, NY and Philadelphia, PA employ civilians to perform the same job functions currently performed by FPB inspectors, and do so for less cost in salaries, front-end training, and job benefits.

Converting the sworn firefighter positions in FPB into civilian positions would result in a significant savings for the City. The table below shows that the average salary including fringe benefits for current FPB inspectors is almost \$4,000 higher than the average compensation of current Department of Buildings (DOB) inspectors. Assuming that these civilians would be paid the same compensation as current inspectors in DOB, the City would realize approximately \$310,000 in annual savings if all 81 currently filled inspector positions in FPB were converted to civilian positions. This very conservative estimate does not include additional savings that might be realized from consolidation of inspection functions into a single Department in the form of consolidation of administrative staffing, reduced personnel and equipment needs realized through double-training of inspectors and schedule consolidation for closely related inspections.

¹⁵ TriData Comprehensive Review, pg. 42.

<http://www.cityofchicago.org/content/dam/city/depts/cfd/general/PDFs/TriDataReportJune1999.pdf>

Table #1- Average Compensation of FPB Inspectors and DOB Inspectors

	Total employees	Total Salary	Average Salary	Average Benefits	Average Total Compensation
Inspectors in Fire Prevention Bureau (FPB)	81	\$7,194,540	\$88,821	\$38,193	\$127,015
Inspectors in Department of Buildings (DOB)	179	\$16,332,640	\$91,244	\$31,935	\$123,179
Sources and Notes					
The salary list for inspectors in FPB came from the City's personnel database and reflects data as of July 20, 2011. The 81 employees are all the employees categorized as working in subsection 4146-Inspections in the personnel database.					
The salary list for building inspectors in DOB came from the current list of employees the City posted through its data portal and includes employees in DOB with the following titles: Asst. Chief Elevator Inspector, Boiler Inspector, Building/Construction Inspector, Chief Boiler Inspector, Chief Building/Construction Inspector, Chief Construction Equipment Inspector, Chief Electrical Inspector, Chief Vent and Mechanical Equipment Inspector, Construction Equipment Inspector, Cooling Plant Inspector, Electrical Inspector, Elevator Inspector, Iron Inspector, Plumbing Inspector, Plumbing Inspector I/C, Supervising Boiling Inspector, Supervising Cooling Plant Inspector, Supervising Ventilation and Furnace Inspector, Supervisor of Electrical Inspectors, Supervising Building/Construction Inspector, and Ventilation and Furnace Inspectors. This list reflects June 1, 2011 data.					
The average benefits for inspectors in FPB was based on 43 percent of salary, which is what the Mayor's Office of Budget and Management has estimated as the cost of benefits of police officers. We assume that the pension costs of firefighters are the same as police officers given the similarity of their pension benefits.					
The average benefits for building inspectors in DOB was based on 35 percent of salary, which is what the City used as an estimate for Streets and Sanitation employees in a recent arbitration regarding blue cart recycling.					

Additionally, a senior CFD member assigned to the FPB explained to the IGO that a large block of the FPB's inspectors are on the downside of long CFD careers and that the FPB is the only unit in the Department that can make accommodations to its employees under the Americans with Disabilities Act, the latter observation an apparent nod to the fact that the FPB is regarded internally as something of a way station for firefighters with partial work disabilities. However, the CFD should not justify the status quo of sworn officer staffing of the FPB as a unit within CFD solely to accommodate firefighters who cannot or are disinclined to serve in fire suppression capacities. The CFD member also stated that the CFD and DOB are already "mirror images of each other" and "work very closely together." Therefore, a full examination and assessment of a merger of FPB inspection functions into DOB should commence immediately. The fact that such a merger or consolidation may result in substantial efficiencies and savings to the City at a time of ongoing fiscal stress makes only more compelling prompt and aggressive action on this recommendation.

Another reason to shift the functions of FPB to non-sworn personnel and/or another department entirely is the lack of prestige associated with serving as a firefighter in the FPB. This means that the most talented CFD staff are less likely to serve in this bureau, which is troubling given the important role these inspectors play in ensuring that buildings adhere to the City's fire code. If the inspection positions of FPB were made non-sworn, this issue would not affect the civilian staff that would occupy these positions.

In his September 14th letter to the IGO, Commissioner Hoff stated the City's contract with the firefighters' union prohibits the redeployment of the inspection duties performed by the FPB to be delegated to City employees outside of the bargaining unit. Whether provisions of the

CBA with Firefighters Local 2 precludes transfer of FPB to another City Department is less than clear. The Local 2 CBA does contain a variation of the “traditional work” provision we have noted in the case of another City union as significantly restricting the City’s ability to restructure operations to realize fiscal and operational efficiencies.¹⁶ However, unlike the 37 trade union agreements to which the prior administration bound the City through 2017, the Labor Contract between the City and the Chicago Fire Fighters Union Local 2 expires June 30, 2012. We encourage CFD and the City to negotiate a claw back of those managerial rights necessary to restructure the City’s fire prevention inspection functions to a less costly model such as one involving the use of civilian inspectors.

2. Overhaul FPB Inspection Data Entry Process

The IGO investigation showed that there exists no accurate method to determine where FPB inspectors are during the day or even to re-trace what an FPB inspector actually did on a previous work day. The Field Activity Records appear to be the FPB’s main productivity and accountability measure and this investigation exposed significant flaws in that process. Among the more serious problems: (i) inspectors claimed not to have recorded every site inspection they claimed to have made; (ii) the forms are not maintained by the FPB, but are returned to the inspectors; and (iii) supervisory personnel allegedly are not required to even complete Field Activity Records although they often, like non-supervisory inspectors, conduct inspections in the field. The FPB’s ability to account for its employees’ whereabouts and official activities should not depend on the recordkeeping acumen and discipline of the various inspectors. Further, without any operational justification, the FPB appears to allow supervisory staff to not maintain Field Activity Records even if they perform inspections. This accommodation should be discontinued immediately.

Data entry in the FPB is performed by costly sworn CFD personnel. This fact alone points to an opportunity for savings. Moreover, the database records we reviewed do not reliably capture necessary data such as the exact date an inspection was performed. What data is inputted appears left to the judgment of individual inspectors. Some inspectors reported to the IGO that they do not produce inspection records for every type of inspection they conduct. This raises accountability and performance integrity concerns. Most critically, if an inspection does not warrant some form of report, then there is a substantial question about why the inspection should be conducted in the first place.

The fact that the FPB’s inspection reports and program documentation were so unhelpful and incomplete calls into question the value of the work of the Bureau as presently performed and the degree to which the City can hold fully accountable the building owners whose properties are purportedly inspected. In other words, the lack of accurate records means there is no way to determine what value the FPB inspections actually provide for the citizens of Chicago.

Commissioner Hoff’s September 14, 2011 letter to the IGO stated that the FPB has a new administration which “has been directed to pursue an overhaul of the inspection data entry process.”

¹⁶ <http://chicagoinspectorgeneral.org/wp-content/uploads/2011/03/IGO-Review-of-the-Efficiency-of-the-Job-Duties-of-MTDs-March-30-2011.pdf>

3. Reform the Formal Training of FPB Inspectors

Should the main responsibility of conducting fire prevention inspections throughout the City continue to reside within the CFD, a major reformulation of how inspectors are trained is warranted. The FPB currently employs three sworn CFD lieutenants (who, pursuant to the City's collective bargaining agreement with the firemen's union, are paid at a captain's salary level), each whose main job responsibility is to train FPB inspectors on a year-round basis. The investigation quickly revealed the shortcomings of the training process to the extent that it even exists. Several FPB inspectors said they received little or no training at all. The two to three-week orientation or "fire prevention school" described by the trainers appeared not so vivid in the recollections of the inspectors we interviewed. Very few inspectors discussed attending any formal training (much less for two or three weeks) and not even the coordinator of FPB training could say whether the orientation was mandatory for new inspectors. In addition, the IGO's interviews with FPB training personnel revealed that the Bureau's internal procedures, including the mileage reimbursement procedure, receive little or no emphasis in training.

Nothing about this recommendation to overhaul the formal training process is meant to excuse the inspectors' falsifications of their mileage reimbursement forms and the IGO is aware that the foremost purpose of training is educational and not to provide forums to admonish members against committing fraud. Nevertheless, the training section of the FPB has a responsibility to ensure that the Bureau's inspectors are complying with general orders as well as department rules and guidelines. As shown in this investigation, the training section has failed to adequately fill that role.

Commissioner Hoff has informed the IGO that the CFD is undergoing a department-wide reorganization that will include "reformulat[ing] training for FPB inspectors."

D. Additional Recommendations

1. Issue an Executive Order on Theft and Dishonesty

We recommend that the Administration issue an executive order that establishes theft of City funds and property as a *per se* terminable offense for all City employees. Such an order must make clear that the knowledge, encouragement, acquiescence, and even participation in acts of theft and dishonesty by supervisory personnel will not be considered a mitigating factor against termination. Further, the executive order should expressly establish a duty for employees who have knowledge of theft and dishonesty by City employees, including supervisory personnel, to report the misconduct to the IGO. Such a duty is consistent with every City employee's fiduciary duty to the City as codified in MCC § 2-156-020.

2. The CFD Should Track *Giglio* Material

Given that the inspectors who were the subject of investigation have a formal record of theft and dishonesty, the IGO recommends that the CFD create a method of alerting prosecutors, judges and attorneys to this investigation's findings should any of the inspectors be required to provide testimony in criminal/civil/administrative proceedings.

* * *

The IGO will track and issue a future report detailing any such measures CFD ultimately institutes respecting the City's fire prevention inspection functions in response to the findings and recommendations of this investigation.