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CITY OF CHICAGO OFFICE OF INSPECTOR GENERAL

FOURTH QUARTER REPORT 2019



REPORT OF THE OFFICE OF INSPECTOR GENERAL



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TO THE MAYOR, MEMBERS OF THE CITY COUNCIL, CITY CLERK, CITY TREASURER, AND RESIDENTS OF THE CITY OF CHICAGO:

Enclosed for your review is the public report on the operations of the City of Chicago Office of Inspector General (OIG) during the fourth quarter of 2019, filed with City Council pursuant to Section 2-56-120 of the Municipal Code of Chicago.

This quarterly report concludes a year of significant transition for the City of Chicago—a run-off election, a shift in leadership values and voices, and a candid and sobering account of the gravity of the City's fiscal situation. This year's budget hearing kindled a greater awareness of a deficit whose magnitude critically impacts the health and well-being of our City. As a result, the new Administration has charged City government with the responsibility to look inward in order to engage, adapt, and develop new ways of delivering more and better services to residents for less.

OIG has recommended proven, best-practice solutions to fiscal shortcomings for the better part of a decade, presenting revenue-generating and cost-saving options through various forms of reporting. Our efforts have also included arming the public and City officials with the context, data, and analysis required to make impactful and economical decisions. Through audit findings and recommendations to City departments, OIG engages in the ongoing discussion of both immediate and longer-term fixes. OIG has also leveraged observations from narrowly tailored investigations, both criminal and administrative, to redress broader programmatic concerns, mitigate future risks of waste and corruption, and foster effectiveness and efficiencies. We hope that our data and reporting continue to inform greater collaboration, creating a new generation of transparency and accountability in City operations.

With the benefit of a full calendar ahead to present a balanced budget, we will have more time and space to push awareness and dialogue for structural and operational changes. And we will do so in ways that are mindful of the need and responsibility for promoting changes in culture that minimize the drag of the past on the innovations of the present and future. The diversity of the investigations and audits presented in the following report exemplify our ongoing support of that change, through our mission to promote economy, efficiency, and integrity in government, and further prompt areas of economic considerations for a course correction. OIG intends to meet these new and intensifying challenges as an informed and supportive collaborator, ensuring our role as the overseer of public interest and furthering engagement in our services.

Respectfully,

A handwritten signature in blue ink, appearing to be "J. Ferguson".

Joseph M. Ferguson
Inspector General
City of Chicago

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FOURTH QUARTER 2019 HIGHLIGHTS

704COMPLAINTS
RECEIVED**377**MATTERS
CONCLUDED**36**AUDITED HIRING
SEQUENCES**6**PUBLISHED
REPORTS**3**

NOTIFICATIONS



An OIG investigation established that a former investigator in the now-defunct Independent Police Review Authority (IPRA) concealed information regarding a police-involved shooting under IPRA's jurisdiction, visited and repeatedly communicated with the family of a police shooting victim and failed to inform IPRA, and sought to refer and receive a referral fee for connecting the shooting victim's family with an attorney.



This quarter, OIG issued two notifications:

- The Chicago Public Library did not install GPS data tracking in its vehicles, resulting in an accountability gap relative to most other departments, allowing for opportunities for unauthorized use of City vehicles.
- A ward had unregistered equipment that was not in compliance with City policy and operated by non-City employees, thereby preventing the appropriate maintenance and preservation of assets and opening the City up to potential liability.



Topics of OIG cases closed this quarter:

- Contractor misconduct and fraud
- Ethics violations
- Forged documents & false statements
- Fraudulent use of FMLA
- Misuse of City property
- Residency violations
- Sexual harassment

This quarterly report provides an overview of the operations of the Office of Inspector General (OIG) during the period from October 1, 2019 through December 31, 2019. The report includes statistics and narrative descriptions of OIG's activity as required by the Municipal Code of Chicago (MCC).

I. MISSION OF THE OFFICE OF INSPECTOR GENERAL

The mission of OIG is to promote economy, effectiveness, efficiency, and integrity in the administration of programs and operation of City government.¹ OIG accomplishes its mission through investigations, audits, and other reviews. OIG issues summary reports of investigations to the appropriate authority, management officials, and/or the Mayor, with investigative findings and recommendations for corrective action and discipline. Summaries of sustained investigations and the resulting department or agency actions are released in quarterly reports. OIG's audit reports and advisories are directed to the appropriate agency authority or management officials for comment and then are released to the public on the [OIG website](#). OIG's department notifications are sent to the appropriate agency authority or management officials for attention and comment, and are summarized, along with any management response, in the ensuing quarterly report. Finally, OIG issues reports as required by the Hiring Plan and as otherwise necessary to carry out its hiring oversight functions.

¹ "City government" includes the City of Chicago and any sister agency which enters into an Intergovernmental Agreement with the City for the provision of oversight services by OIG.

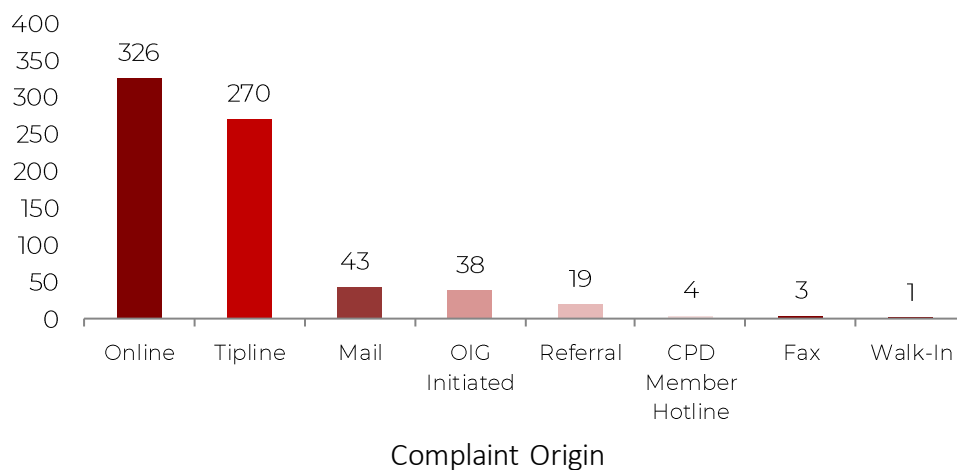
II. INVESTIGATIONS

The OIG Investigations section conducts both criminal and administrative investigations into the conduct of governmental officers, employees, departments, functions, and programs, either in response to complaints or on the Office's own initiative.

A. COMPLAINTS RECEIVED THIS QUARTER

OIG received 704 complaints this quarter. The chart below breaks down the complaints OIG received during the past quarter by the method in which the complaint was reported.

CHART #1 – COMPLAINTS BY REPORTING METHOD



Among other factors, OIG evaluates complaints to gauge the investigative viability and potential magnitude or significance of the allegations—both individually and programmatically.² The following table outlines the actions OIG has taken in response to these complaints.

TABLE #1 – COMPLAINT ACTIONS

Status	Number of Complaints
Opened Investigation	19
Pending	124
Referred to Department/Sister Agency	265
Declined	296
Total	704

² OIG's complaint intake process allows it to assess the substance of a complaint prior to processing and, after thorough review, to filter out complaints that lack sufficient information or clarity on which to base additional research or action, or are incoherent, incomprehensible, or factually impossible.

B. PRIOR QUARTER COMPLAINTS

OIG also took action on complaints that were pending at the end of the prior quarter by declining 54 complaints, opening 16 administrative or criminal investigations, and referring 66 complaints to sister agencies. Additionally, 1 complaint was referred to the Hiring Oversight section and 4 complaints remain pending. The following table provides the status of all complaints that were pending at the end of the previous quarter.

TABLE #2 – PRIOR PENDING COMPLAINTS

Status	Number of Complaints
Opened Investigation	16
Pending	4
Referred to Department/Sister Agency	66
Referred to Hiring Oversight	1
Declined	54
Total	141

C. NEWLY OPENED MATTERS

This quarter, OIG opened 398 matters. Of the newly opened matters, 347 were referred to other departments or investigative agencies. A total of 51 cases proceeded to an OIG investigation.³ Of those cases, 47 remained open at the end of the quarter, 1 was closed administratively, and 3 were closed sustained. The following table categorizes the matters opened by OIG this quarter based on the subject of the matter.

TABLE #3 – SUBJECT OF INVESTIGATIONS AND REFERRALS

Subject of Investigations and Referrals	Number of Investigations and Referrals
Employees	318
Contractors, Subcontractors, and Persons Seeking Contracts	11
Elected Officials	21
Persons Seeking Certification of Eligibility	1
Appointed Officials	3
Licensees	18
Other	26
Total	398

³ More than one case may be opened on the same complaint, accounting for discrepancies between the total number of complaints opened as investigations and the total number of cases opened this quarter.

D. CASES CONCLUDED IN QUARTER

This quarter, OIG concluded 377 opened matters, 347 of which were referred to the following: 301 to a City department and 46 to a sister agency or other external agency. Of the remaining concluded matters, 16 were closed as “sustained.” A case is sustained when the evidence sufficiently establishes that either an administrative or criminal violation has occurred, or the case identifies a particular problem or risk that warrants a public report or notification to a department. A total of 7 matters were closed as “not sustained.” A case is not sustained when OIG concludes that the available evidence is insufficient to prove a violation under applicable burdens of proof. A total of 7 matters were closed “administratively.” A case is closed administratively when, in OIG’s assessment, it has been or is being appropriately treated by another agency or department, the matter was consolidated with another investigation or, in rare circumstances, OIG determined that further action was unwarranted.

TABLE #4 – CASES CONCLUDED IN THE FOURTH QUARTER

Status	Number of Cases
Referred to a City Department	301
Referred to a Sister/External Agency	46
Sustained	16
Not Sustained	7
Closed Administratively	7
Total	377

E. PENDING MATTERS

At the close of this quarter, OIG had a total of 204 pending matters, including investigations opened during the quarter.

F. INVESTIGATIONS NOT CONCLUDED IN TWELVE MONTHS

Under MCC § 2-56-080, OIG must provide quarterly statistical data on pending investigations open for more than 12 months. Of the 204 pending matters, 66 investigations have been open for at least 12 months. The following table shows the general reasons that these investigations remain active.

TABLE #5 – REASONS INVESTIGATIONS WERE NOT CONCLUDED IN TWELVE MONTHS

Reason	Number of Investigations
Complex or resource-intensive investigation, which may involve difficult issues or multiple subjects	50
Extended due to higher-risk, time-sensitive investigations	13

Additional complaints added during the course of the investigation	1
On hold, so as not to interfere with another ongoing investigation	2
Total	66

G. ETHICS ORDINANCE COMPLAINTS

This quarter, OIG received 12 Ethics Ordinance complaints. OIG declined 5 complaints because they lacked foundation, opened 2 for investigation, referred 2 to the appropriate City department, and 3 are pending.

H. PUBLIC BUILDING COMMISSION COMPLAINTS AND INVESTIGATIONS

OIG received one complaint related to the Public Building Commission (PBC) this quarter.

III. ADMINISTRATIVE CASES

OIG investigations may result in administrative sanctions, criminal charges, or both. Investigations leading to administrative sanctions involve violations of City rules, policies or procedures, and/or waste or inefficiency. For “sustained” administrative cases, OIG produces summary reports of investigation⁴—a summary and analysis of the evidence and recommendations for disciplinary or other corrective action. OIG sends these reports to the appropriate authority, including the Office of the Mayor, the Corporation Counsel, and the City departments affected by or involved in the investigation. When officials are found to be in violation of campaign finance regulations, the law affords them the opportunity to cure the violation by returning excess funds.

A. CAMPAIGN FINANCE INVESTIGATIONS

The MCC bans City vendors, lobbyists, and those seeking to do business with the City from contributing over \$1,500 annually to any elected City official’s or candidate’s political campaign. Potential violations of the cap are identified through complaints and OIG analysis. Other rules and regulations such as Executive Order 2011-4 place further restrictions on donations. Once a potential violation is identified, OIG notifies the donor and the donation recipient of the violation and, in accordance with the MCC, provides the individual or entity 10 days to challenge the determination or cure the violation by returning the excess donation.⁵ If the excess donation is returned in a timely manner, or it is determined that a violation did not occur, OIG closes the matter administratively. In the event the matter is not cured or rightfully challenged, OIG will sustain an investigation and deliver the case to the Board of Ethics for adjudication. This quarter OIG resolved no campaign finance violation matters.

B. SUSTAINED ADMINISTRATIVE INVESTIGATIONS

The following are brief synopses of administrative investigations completed and reported as sustained investigative matters. These synopses are intended to illustrate the general nature and outcome of the cases for public reporting purposes and thus may not contain all allegations and/or findings for each case.

In addition to OIG’s findings, each synopsis includes the action taken by the department in response to OIG’s recommendations. City departments have 30 days to respond to OIG recommendations.⁶ This response informs OIG of what action the department intends to take.

⁴ Per MCC § 2-56-060, “Upon conclusion of an investigation the inspector general shall issue a summary report thereon. The report shall be filed with the mayor, and may be filed with the head of each department or other agency affected by or involved in the investigation.”

⁵ If the donor and/or recipient was already aware that the excess donation was a violation at the time the donation was made, then they may not have the opportunity to cure the violation and avoid a fine.

⁶ PBC has 60 days to respond to a summary report of investigation by stating a description of any disciplinary or administrative action taken by the Commission. If PBC chooses not to take action or takes an action different from that recommended by OIG, PBC must describe that action and explain the reasons for that action.

Departments must follow strict protocols, set forth in the City's Personnel Rules, Procurement Rules, and/or applicable collective bargaining agreements, prior to imposing disciplinary or corrective action.

TABLE #6 – OVERVIEW OF CASES COMPLETED AND REPORTED AS SUSTAINED MATTERS

Case Number	Department or Agency	OIG Recommendation	Department or Agency Action
#19-1302	Aviation	Discharge	Resigned in lieu of discharge
#19-0213	Family and Support Services	Find that the evidence established violations and designate as ineligible for rehire	Retired under inquiry; designated as ineligible for rehire
#19-0009	Library	Discipline commensurate with the gravity of violations	2-week suspension
#19-0004	Water	Discharge	Retired under inquiry; designated as ineligible for rehire
#18-0788	Aviation	Discharge	Resigned in lieu of discharge; designated as ineligible for rehire
#18-0610	Streets and Sanitation	Discipline commensurate with the gravity of violations	Written reprimand
#18-0191	Emergency Management and Communications	Find that the evidence established violations and designate as ineligible for rehire	Resigned under inquiry; designated as ineligible for rehire
#17-0632	City Council	Find probable cause of an ethics violation	No penalty
#17-0578	Procurement	Debarment	Requested written response from the subject within 30 days
#17-0486	Fire	Find probable cause of an ethics violation Debarment	CFD employee: preliminary finding of probable cause City contractor: written response under review
#17-0026	Police	Discharge	Discharged; appeal pending
#14-0165	Housing	Discharge	Discharged; arbitration pending

1. False Statements, Misuse of Sick Leave, and Credit Card Fraud (#19-1302)

An OIG investigation established that a deputy commissioner in the Chicago Department of Aviation (CDA) violated City of Chicago Personnel Rules and the Illinois Criminal Code. Specifically, during a period spanning December 2017 through June 2019, the deputy commissioner made several purchases using personal credit cards totaling approximately \$35,286.12, and later fraudulently disputed those charges with the credit card company. After being arrested and while in the custody of the Cook County Sheriff's Office (CCSO), the deputy commissioner repeatedly lied to the CDA commissioner by calling and emailing on multiple days, claiming that the deputy commissioner would be absent from work due to a car accident, which necessitated a trip to the hospital and taking sick leave—when in fact the deputy commissioner was either in the custody of CCSO or concealing the arrest.

OIG recommended that CDA discharge the deputy commissioner and refer the deputy commissioner for placement on the ineligible for rehire list maintained by the Department of Human Resources (DHR). Four days after OIG submitted its recommendation to CDA, the deputy commissioner resigned from CDA. CDA referred the deputy commissioner for placement on the ineligible for rehire list.

2. Sexual Harassment (#19-0213)

An OIG investigation established that a Department of Family and Support Services (DFSS) district manager, while working at a DFSS Community Service Center, sexually harassed numerous individuals. On several occasions, the district manager made unwanted comments about a security guard's physical appearance, and on one occasion, rubbed the shoulders of the same security guard without the security guard's consent. The district manager also made sexually explicit comments to another security guard.

Additionally, the district manager kissed the lips of a member of the public and afterward called her repeatedly. The member of the public was a relative of one of the district manager's co-workers and had mental health and developmental delays that rendered their functioning level as that of an adolescent. The district manager also made unwanted physical contact with a Department of Fleet and Facility Management (2FM) employee by rubbing the employee's arm and hugging the employee several times. On one occasion, the district manager attempted to kiss the 2FM employee.

OIG's investigation also found that the district manager had a history of sexually harassing female co-workers through inappropriate comments and unwanted physical contact. The district manager underwent discipline and training as a result of the prior violations. Shortly after OIG commenced the investigation, the district manager retired from City employment. Later, the district manager refused to appear for an OIG interview regarding the misconduct.

OIG recommended DFSS find that the evidence established the district manager's violations of the City's Diversity and Equal Employment Opportunity Policy and Personnel Rules, place the OIG

report and the attached evidentiary files in the district manager's personnel file, and refer the district manager for placement on the ineligible for rehire list maintained by DHR.

Due to DFSS' assignment of the district manager to a location that included daily contact with members of the public and lack of close monitoring by supervisors, OIG also recommended that DFSS examine its policies and procedures on the assignment and supervision of employees who interact with the public, especially employees with a history of being perpetrators of sexual harassment.

In response, DFSS agreed with OIG's recommendation regarding the district manager, placed the report and evidentiary files in the district manager's personnel file, and requested that DHR place the district manager's name on the ineligible for rehire list. DFSS also responded that, after consultation with the Department of Law, the employee was promoted to the district manager position because the employee had acted appropriately since the prior misconduct discipline and "[the employee] should not be denied a promotion opportunity based on a past mistake." Nevertheless, the response stated, "DFSS is seeking clarification from both the Law Department and DHR to assist with creating a policy regarding the hiring of internal candidates with disciplinary background issues."

3. Misuse of a City Vehicle (# 19-0009)

An OIG investigation established that a Chicago Public Library (CPL) motor truck driver (MTD), engaged in the unauthorized use of a City vehicle on at least two occasions by transporting non-CPL items in residential areas for personal use. The MTD admitted to the unauthorized use of the City vehicle. The MTD's use of the City vehicle to transport non-CPL materials gave the impression to City residents that a City employee may use a City vehicle as personal property or for questionable activity and constituted conduct unbecoming of a City employee.

OIG recommended that CPL impose discipline against the MTD, commensurate with the gravity of the violations, past disciplinary record, and any other relevant considerations.⁷ In response, CPL issued the MTD a two-week suspension.

4. Residency Violation (#19-0004)

An OIG investigation established that a former construction laborer with the Chicago Department of Water Management (DWM) lived in Norridge, Illinois ("Norridge property"), in violation of the City's Municipal Code (MCC) § 2-152-050, requiring its employees to reside in Chicago. In the course of the investigation, OIG gathered documents including the deed, as well as the water, gas, and electrical utility bills for the Norridge property, all of which were in the laborer's name. OIG conducted multiple surveillances at the Norridge property, and on six occasions observed the laborer driving to work from the Norridge property. On two surveillances of the laborer's claimed Chicago property, the laborer was not observed on either day. Following

⁷ OIG separately issued the Chicago Public Library Global Positioning System Data Tracking Notification, arising from this investigation, which is summarized on p. 30.

OIG's interview of the laborer, the laborer retired from the City, effective twenty days after the laborer's interview.

Were the laborer still a City employee, OIG would have recommended that DWM take action consonant with the Residency Ordinance and discharge the laborer and refer the laborer for placement on the ineligible list maintained by DHR. However, because the laborer resigned almost immediately after being interviewed, OIG recommended that DWM find that the evidence establishes the residency violation, refer the laborer for placement on the ineligible for rehire list maintained by DHR, and place the OIG report and evidentiary files in the laborer's personnel file.

In response, DWM concurred with OIG's recommendations, requested that DHR place the laborer on the ineligible for rehire list, and placed the report and the attached evidentiary files in the laborer's personnel file.

5. Residency Violation (#18-0788)

An OIG investigation established that a CDA managing deputy commissioner lived in Naperville, Illinois (the "Naperville property"), in violation of MCC § 2-152-050, requiring its employees to reside in Chicago. OIG obtained documents including a deed and mortgage in the deputy commissioner's name for the Naperville property, as well as DuPage County property tax bills, utility bills, and vehicle registrations listing the Naperville property. OIG conducted multiple surveillances at the Naperville property, and on multiple occasions observed the deputy commissioner commute to work from Naperville to the deputy commissioner's O'Hare International Airport office. Furthermore, the deputy commissioner admitted to residing full-time in Naperville and only maintaining an apartment in the City to satisfy the residency requirement.

OIG recommended that CDA take action consonant with the residency ordinance, discharge the deputy commissioner and refer the deputy commissioner for placement on the ineligible for rehire list maintained by DHR. Subsequently, the deputy commissioner resigned in lieu of discharge and was placed on the ineligible for rehire list.

6. Harassment, Discourteous Treatment, and Incompetence (#18-0610)

An OIG investigation established that a Department of Streets and Sanitation (DSS) ward superintendent harassed construction crews and provided misleading information concerning alleged code violations at a residential property, costing the homeowners time and money and displaying the ward superintendent's incompetence. Specifically, the ward superintendent repeatedly issued warnings to the homeowners and construction crew for alleged MCC violations referencing non-existent court hearings and, in excess of the ward superintendent's authority, verbally threatened to issue \$5000 fines and told the construction crew to stop work.

The investigation further established that a DSS division superintendent verbally, and in excess of the division superintendent's authority, told workers at the same residential property to stop

work for failure to have a portable toilet on site, displaying discourteous treatment to the workers and incompetence in the division superintendent's duties.

OIG recommended that DSS impose discipline against the ward superintendent and division superintendent commensurate with the gravity of the violations, past disciplinary records, and any other relevant considerations.

In response, DSS noted that the two subjects were dedicated employees who worked "to keep their Ward and Division clean." However, DSS said that this did not excuse the behavior identified by OIG's investigation and issued both employees written reprimands. In November, the Department held remedial training for all employees with code enforcement responsibilities.

7. Fraudulent Use of Sick and FMLA Leave (#18-0191)

An OIG investigation established that a former police communications operator I (PCO I) for the Office of Emergency Management and Communications (OEMC) misused Family and Medical Leave Act (FMLA) allowance to take two days off in order to extend a pre-planned vacation to Atlanta, Georgia, with family and friends. While in Atlanta, the PCO I went shopping, bowling, and stayed at a downtown hotel. The PCO I resigned from OEMC after OIG interviewed them.

OIG recommended that OEMC find that the evidence established the violations, place OIG's report and evidentiary files in the PCO I's personnel file, and refer the PCO I for placement on the ineligible for rehire list maintained by DHR.

In response, OEMC stated it found that the evidence from OIG's investigation established the violations, and had the employee not resigned, OEMC would have sought discharge. OEMC referred the PCO I for placement on the ineligible for rehire list and placed OIG's report and evidentiary files in the PCO I's personnel file.

OEMC further stated that it does not tolerate fraudulent use of FMLA and sick leave and has implemented a process to provide resources and counseling to employees who exhibit attendance issues. OEMC also established an FMLA Efficient Use and Review Committee to examine FMLA procedures to keep in line with best practices and instituted mandatory FMLA training for supervisors to identify and address FMLA and sick leave use and abuse.

8. Prohibited Political Activity and Misuse of City Property (#17-0632)

An OIG investigation established that an alderman violated the City's Ethics Ordinance, MCC § 2-156-135(b), by engaging in prohibited political activity when the alderman directed ward office staff to place a sign bearing the alderman's name and the name of a state representative on the side of a graffiti blaster that the alderman purchased in 2013 with City funds. The alderman knew that the sign would be prominently displayed in and around the ward when the equipment was used to remove graffiti. The alderman also used a photograph of the graffiti blaster in a political print advertisement featuring the state representative and the alderman. In addition, the alderman knowingly allowed a non-City employee to use the City-owned graffiti blaster

throughout the state representative's district, which extends outside the City limits, in violation of MCC § 2-156-060, which prohibits misuse of City property.

OIG asked the City of Chicago Board of Ethics (BOE or "the Board") to find probable cause that the alderman violated MCC Section 2-156-060 and subsection 2-156-135(b), and to conduct the appropriate proceedings.

In response, BOE voted 3 to 1 in declining to consider the case, concluding that OIG had lacked jurisdiction to investigate the matter until an OIG employee signed a complaint against the alderman, an event which occurred shortly before OIG's interview of the alderman. BOE relied on MCC § 2-56-045(a), a provision which has since been rescinded, and which during the relevant period provided, "[t]he inspector general may not undertake an investigation of any alderman except pursuant to a complaint that (1) names the alderman; and (2) states the facts underlying the complaint; and (3) is signed by the person making the complaint. A city officer or city employee may be a signatory a complaint." The Board noted that an OIG employee signed a complaint before the interview of the alderman but concluded that, based on its reading of the ordinance, the Board could not consider any evidence gathered before the complaint was signed, and given that the evidence gathered before the complaint was so intertwined with the subsequent interviews, it could not proceed on the interviews alone. The Board took its action without any consultation with OIG and did not acknowledge that at the outset of the case the complaint was against unknown employees of the alderman's office, not the alderman. As with all cases, in the course of the investigation OIG's understanding of the facts developed, and in this matter deviated from the initial anonymous complaint. OIG then took appropriate action in light of the information gathered.⁸

As a result of its decision, the Board did not act on the political violations and simply advised the alderman "to adhere to City regulations, which dictate that only City government personnel can use/operate City-owned property. More specifically, the graffiti blaster, and any other equipment purchased through City funds, can be operated only by City employees." Additionally, the Board advised the alderman to consider identifying the graffiti blaster and other similarly purchased equipment as "Property of the City of Chicago" or property of the ward.

9. Contractor Fraud and Submission of Altered Documents (#17-0578)

An OIG investigation established that a City of Chicago contractor violated the City's Department of Procurement Services (DPS) Debarment Rules by submitting bid packages containing Schedule C forms meant to ensure Woman-Owned Business Enterprise (WBE) subcontractor participation that had been altered without the consent of the authoring subcontractor on two occasions. Specifically, when submitting a Schedule C from a certified WBE, the contractor crossed out several line items and reduced the total pricing, without the approval of the authoring

⁸ OIG separately issued the Unregistered Ward Office Equipment Notification, arising from this investigation, which is summarized on p. 31.

subcontractor. On a separate bid, the contractor erased the pricing provided by a WBE subcontractor on the Schedule C it submitted to the City and added in a lower number.

OIG recommended that DPS initiate debarment proceedings for the purpose of determining appropriate remedial action against the contractor. In response, DPS sent a letter to the contractor, informing them that OIG had recommended the initiation of debarment proceedings. The letter also informed the contractor that they had 30 days to respond in writing to the allegations contained in OIG's report, after which DPS would make further findings.

10. Ethics Violations, Conflict of Interest and Post-Employment Restrictions, Contractor Misconduct, and False Statements (#17-0486)

An OIG investigation established that a former Chicago Fire Department (CFD) employee violated the post-employment (§ 2-156-100), conflict of interest (§ 2-156-080), and disclosure of confidential information (§ 2-156-070) provisions of the City's governmental Ethics Ordinance. More specifically, the employee, while employed by the City, exercised contract management authority over a City contract by drafting a request for proposal (RFP) while negotiating and securing employment with a company that responded to the RFP and was eventually awarded the contract. After retiring from City employment, the employee was actively involved in the contract as an employee of the City contractor.

OIG's investigation further established that the City contractor violated MCC § 1-21-010(a), the terms of its City contract, and the City's Debarment Rules. More specifically, the contractor submitted false statements in the RFP bid when the contractor provided "Not applicable" in the section inquiring about conflicts of interest, and in an Economic Disclosure Statement when the contractor responded "None" to the section inquiring whether any current employees were employed by the City in the preceding twelve months. Furthermore, the contractor violated conflict of interest provisions of their City contract by failing to screen a former City employee from involvement in a City contract due to the former employee's access to confidential information.

OIG recommended that BOE find probable cause to believe the former CFD employee violated the Ethics Ordinance and impose appropriate sanctions. OIG further recommended that DPS initiate debarment proceedings against the City contractor for the purpose of determining appropriate remedial action.

In response, at its October 29, 2019 meeting BOE made a preliminary finding of probable cause to believe the former CFD employee had violated the Ethics Ordinance. The former employee may attempt to resolve this matter by paying a fine or proceeding to an administrative hearing. DPS notified the City contractor that they were the subject of a sustained OIG report and provided a copy of OIG's report after the contractor signed a confidentiality agreement. On December 16, 2019, DPS received a copy of the contractor's response, which is currently under review.

11. Misuse of Confidential Information for Personal Gain and False Statements (#17-0026)

An OIG investigation established that a former investigator in the now-defunct Independent Police Review Authority (IPRA), (1) concealed material information regarding a police-involved shooting under IPRA's jurisdiction, (2) visited and repeatedly communicated with the family of a police shooting victim and failed to inform IPRA, and (3) sought to refer and receive a referral fee for connecting the shooting victim's family with an attorney. Specifically, following a fatal, police-involved shooting of a civilian on November 23, 2016, a responding Chicago Police Department (CPD) police officer provided sensitive information, such as the potential location of the weapon, as well as photographs, to the then-investigator regarding the shooting on November 25, 2016. On the same date, the investigator provided the victim's home address to an acquaintance at the National Attorney Referral Service, then arranged and attended a meeting between that representative, an attorney, and the victim's family. The then-investigator never informed anyone at IPRA of contact with the attorney referral service or the victim's family, waited four days to inform IPRA of the information received from the CPD police officer, and repeatedly called members of the victim's family after their meeting. During the investigation, the investigator lied or omitted material information in statements to IPRA, the Federal Bureau of Investigation, and OIG.

OIG recommended that CPD discharge the former IPRA investigator—who had by that point become employed as a CPD civilian member—and refer the member for placement on the ineligible for rehire list maintained by DHR. In response, CPD discharged the employee and referred the employee for placement on the ineligible for rehire list. The employee later filed for arbitration to challenge the discharge.

12. Submission of Forged and False Documents (#14-0165)

An OIG investigation established that a Department of Housing (DOH) rehabilitation construction specialist (RCS), while working in the same capacity for the Department of Planning and Development (DPD) in 2014, submitted fraudulent and forged final payment authorizations (known as paying agent forms, or "PAFs") pertaining to seven porch construction projects. The porch construction projects were part of the City's Emergency Housing Assistance Program which provided select City residents with new porches after a detailed application process. DPD required finalized PAFs before a contractor was paid for a completed porch rehabilitation project.

The RCS submitted false PAFs to DPD, stating that the RCS had inspected and approved of seven completed porch replacement projects in February 2014. In reality, the contractor hired by the City to complete the residential porch replacements had not completed any of the seven porch projects and had not even begun construction for five of the seven. Due to the RCS' fraudulent submissions, DPD paid the contractor more than \$118,000 for those seven porch projects even though the work had not been completed.

At the end of March 2014, DPD supervisors became aware of the RCS' misrepresentations about the porch projects. Afterward, the RCS and the contractor attempted to conceal their deception by swiftly completing all seven projects between March 25, 2014, and March 31, 2014. During that six-day time period, the RCS and agents of the contractor had cell phone contact over 100 times. Interviews of the affected homeowners also established that the contractor had sent multiple teams to the residences during that time period to rapidly construct the porches. OIG recommended that DOH discharge the RCS and refer the RCS for permanent placement on the ineligible for rehire list maintained by DHR. In response, DOH discharged the employee and referred the employee for placement on the ineligible for rehire list. The employee appealed the discharge. The appeal is currently pending.

OIG delayed the reporting of the investigation to DOH to avoid interfering with a federal criminal investigation into the RCS' conduct related to the porch projects. As separately reported in the third quarter of 2019, on July 16, 2019, the U.S. District Court for the Northern District of Illinois unsealed a criminal indictment returned against the RCS by a federal grand jury in March 2019. The two-count indictment charges the RCS with wire fraud (18 U.S.C. § 1343) and making false statements to special agents of the Federal Bureau of Investigation (18 U.S.C. § 1001). On July 16, 2019, the RCS was arraigned on those charges. The federal charges against the RCS are currently pending.

IV. CRIMINAL CASES, ADMINISTRATIVE APPEALS, GRIEVANCES, AND RECOVERIES

Criminal investigations may uncover violations of local, state, or federal criminal laws, and may be prosecuted by the U.S. Attorney's Office, the Illinois Attorney General's Office, or the Cook County State's Attorney's Office, as appropriate. For the purposes of OIG quarterly summaries, criminal cases are considered concluded when the subject(s) of the case is publicly charged by complaint, information, or indictment.⁹

In administrative cases, a City employee may be entitled to appeal or grieve a departmental disciplinary action, depending on the type of corrective action taken and the employee's classification under the City's Personnel Rules and/or applicable collective bargaining agreements. OIG monitors the results of administrative appeals before the Human Resources Board (HRB) and grievance arbitrations concerning OIG's disciplinary recommendations.

A. SYNOPSES OF CRIMINAL CASES

This quarter, there were no new developments in pending criminal cases to report.

B. DEVELOPMENTS IN PRIOR CHARGED CRIMINAL CASES

This quarter, there were no developments in previously reported criminal cases.

C. SYNOPSES AND RESULTS OF ADMINISTRATIVE APPEALS, GRIEVANCES, OR OTHER ACTIONS

OIG has been notified of four updates regarding appeals to HRB or an arbitrator or other actions this quarter regarding discipline imposed or other actions resulting from OIG investigations.

1. Sexual Battery by a CFD Firefighter (#18-0526)

As reported in the first quarter of 2019, an OIG investigation established that a CFD firefighter sexually harassed and committed battery against a City College of Chicago student participating in a CFD ride-along program as part of the student's training to be a paramedic. Specifically, while on duty and eating dinner in the firehouse, the firefighter made lewd comments and rubbed the student's thigh and genitals while they were seated together at a dinner table. OIG recommended that CFD discharge the firefighter and refer the firefighter for placement on the ineligible for rehire list maintained by DHR.

In response, CFD discharged the firefighter and placed the firefighter on the ineligible for rehire list. The firefighter filed a grievance challenging the discharge, and on July 22, 2019, the City and

⁹ OIG may issue summary reports of investigation recommending administrative action based on criminal conduct prior to, during, or after criminal prosecution.

the firefighter submitted the case to an arbitration hearing. On December 9, 2019, the arbitrator denied the firefighter's grievance, held that the City had just cause to discharge the firefighter, and upheld the firefighter's discharge in full.

2. FMLA Fraud and False Statements (#16-0465)

As reported in the fourth quarter of 2018, an OIG investigation established that a DSS sanitation laborer used leave under FMLA, as well as personal leave, ostensibly to care for an ill family member, when in fact the laborer was incarcerated for a felony conviction of Aggravated Driving Under the Influence. While incarcerated, the laborer, through a relative, submitted fraudulent leave extension requests and doctor's notes to DSS in order to support the false representation that the laborer was continuing to care for the ill family member. Additionally, upon release from prison, and before returning to active duty, the laborer falsely affirmed on a criminal background disclosure form that the laborer had never been convicted of a crime.

OIG recommended DSS discharge the laborer and refer the laborer for placement on the ineligible for rehire list maintained by DHR. In response, DSS discharged the employee and placed the employee on the ineligible for rehire list. The employee appealed the discharge. After an evidentiary hearing, HRB upheld the employee's discharge.

OIG referred the doctor who provided the fraudulent medical notes to the Illinois Department of Financial and Professional Regulation (IDFPR). Subsequently, IDFPR filed a complaint against the doctor. As a result, the doctor's medical license was suspended for one month, and currently, the medical license remains in a probationary status.

3. Improper Ownership Interest in a City Vendor (#14-0345)

In the first quarter of 2018, OIG reported that an investigation established that a City vendor violated DPS' Debarment Rules. Specifically, evidence supported a finding that the vendor allowed a CFD battalion chief to hold an ownership interest in the vendor, in violation of the Ethics Ordinance, Section 2-156-110(a), prohibiting City employees from having an ownership interest in an entity doing business with the City. Further, the vendor submitted false Economic Disclosure Statements to DPS, which misrepresented: 1) that no City employee had a prohibited financial interest in the vendor, and 2) the individuals holding ownership interest in the vendor.

OIG recommended that DPS initiate debarment proceedings against the vendor. In response, DPS sent a letter to the vendor, informing the vendor that OIG had recommended debarment. The letter also informed the vendor that they had 30 days to respond to the allegations contained in OIG's report, after which DPS would make a decision.

In December 2019, DPS entered into a Memorandum of Understanding (MOU) with the vendor. The MOU states that the vendor submitted affidavits to DPS swearing to the absence of any ownership or beneficial interest by the battalion chief at the time of the vendor's bid or for the duration of the contract. The vendor acknowledged that OIG's "[r]eport identified discrepancies in [the vendor's] corporate documents and disclosures to the City, upon which basis a

reasonable person could conclude that [the vendor] had violated the City's Ethics Ordinance and that it had submitted a false Economic Disclosure Statement. [The vendor] further acknowledge[d] that various corporate documents and filings inaccurately listed [the battalion chief] as an owner of" the vendor.

Those documents and filings included notarized mortgages for the vendor's property and forms seeking federal benefits on behalf of the vendor. The federal benefits form listed the battalion chief as a 25 percent owner of the vendor and stated that the battalion chief had signature authority and performed management duties for the vendor. The battalion chief signed the form and certified that "all the information entered on this document and any supporting documentation is true and correct."

The MOU states that DPS and the vendor acknowledge the vendor "submitted affidavits swearing to the absence of any ownership or beneficial interest by [the battalion chief] in [the vendor] or in the real estate on which [the vendor] is located at both the time of the bid that resulted in [the Contract] as well as for the duration of the Contract, and that [the battalion chief] does not and will not participate in the management or running of [the vendor]. DPS acknowledge[d] that, in light of [the vendor's] and [the battalion chief's] affidavits, [the vendor's] corporate documents and filings that describe [the battalion chief] as an owner of [the vendor] were likely inaccurately completed by [the vendor]. DPS further acknowledges that [the battalion chief's spouse], has an ownership interest in [the vendor] which is related to or derived from [the spouse's] independent occupation, business, or profession." The vendor is operated by the battalion chief's parents and siblings.

DPS and the vendor agreed that the battalion chief "will not obtain any direct or indirect ownership interest in [the vendor] and [the battalion chief] will not participate in the management or running of [the vendor] at any time while [the vendor] is performing or seeking to perform work for or provide goods to the City. [The vendor] further agrees that it will promptly notify the City if [the battalion chief] obtains any direct or indirect ownership interest in [the vendor] or if [the battalion chief] performs any management activities or is otherwise involved in running" the vendor. The vendor further agreed "that, should the City find that [it] violated any of the terms of this MOU, the CPO [Chief Procurement Officer] may issue a notice stating that [the vendor] may have violated the terms of this MOU, stating the facts supporting the notice therein, and giving [the vendor] thirty-five (35) calendar days to respond in writing with any supporting documents. After receiving [the vendor's] response, if the CPO determines that [the vendor] has violated the terms of this MOU, the CPO may issue a decision imposing debarment of up to two (2) years." Each side agreed to bear its own costs and expenses.

4. Preferential Treatment and Incompetent Supervision of a Homicide Investigation (#11-0225)

As previously reported in the first quarter of 2016, an OIG investigation found that six CPD members (two detectives and four supervisors) violated CPD rules and regulations in the course of their involvement in CPD's 2011 re-investigation of the 2004 homicide of David Koschman.

OIG found that the detectives and their supervising officers provided or created the appearance of preferential treatment for Richard J. Vanecko, former Mayor Daley's nephew. OIG also found that the officers had failed in a number of other ways to meet their duties, including failing to perform a competent investigation and failing to draft or ensure the drafting of a truthful report. OIG recommended CPD discharge the two detectives and one supervisor, and impose discipline up to and including discharge for three supervisors. In response, CPD reported that one of the detectives resigned in lieu of discharge, and CPD suspended the other detective for one year. Of the four supervisors, three retired from CPD after OIG issued its report.

In February 2016, CPD filed charges with the Police Board seeking a one-year suspension for the remaining supervisor, for whom OIG recommended that CPD impose discipline up to and including discharge. The supervisor initially sought to dismiss the Police Board case and filed a grievance seeking arbitration of the matter, an action which was litigated for nearly three years before the Illinois Appellate Court resolved the case in CPD's favor and the Illinois Supreme Court denied leave to appeal on November 28, 2018. While the litigation regarding arbitrability of the matter was pending, CPD and the officer proposed a settlement in which the officer agreed to a one-year suspension, subject to the Police Board's approval. By order dated February 21, 2017, however, the Police Board rejected the settlement and directed its hearing officer to conduct a full evidentiary hearing to determine if the supervisor was guilty of the charges and, if so, to fashion an appropriate penalty. A hearing officer held a four-day evidentiary hearing in August 2019, and on December 12, 2019, the Police Board issued its final decision. The Police Board concluded that the supervisor was guilty of violating CPD Rules 2, 3, 6, 10, and 11, for the supervisor's role in the incompetent investigation and for failure to supervise the detectives in their drafting of a false report. However, the Police Board concluded that the detectives and another supervisor were more at fault and determined that the detectives' failures did not result in a loss of key evidence. The Police Board noted the supervisor's otherwise positive work history. As a result, the Police Board issued the supervisor a written reprimand.

D. RECOVERIES

This quarter, OIG did not receive any reports of financial recoveries related to OIG investigations.

V. AUDITS, FOLLOW-UPS, AND REVIEWS

In addition to confidential disciplinary investigations, OIG produces a variety of public reports including independent and objective analyses and evaluations of City programs and operations with recommendations to strengthen and improve the delivery of City services. These engagements focus on the integrity, accountability, economy, efficiency, and effectiveness of each subject. The following summarizes the four reports released this quarter.

1. Department of Buildings Complaint-Based Inspections Audit Follow-Up Inquiry (#19-0589)¹⁰

OIG completed a follow-up to its April 2018 audit of the Department of Buildings' (DOB) complaint-based inspection operations. The purpose of the audit was to determine whether the Department met required deadlines for responding to building complaints, whether it effectively prioritized such complaints, and whether the records of building code violations available to the public are complete and accurate. Our audit found that DOB did not have effective strategies for prioritizing complaint-based inspections, resulting in potential health and safety hazards going unaddressed for longer than allowed by the MCC. We also found that the City's websites did not provide the public with a property's complete violation history. OIG recommended that DOB address open and overdue emergency complaints, develop policies for responding to building complaints in a manner that complies with requirements in the MCC, adopt inspection and complaint monitoring reports, and work with the Department of Innovation and Technology (DoIT) to provide complete and accurate data to the public through DOB's public data sources. In response to the audit, DOB described corrective actions it would take.

In June 2019, OIG inquired about the status of the corrective actions taken by DOB. Based on the Department's responses, OIG concludes that DOB has partially implemented corrective actions related to the audit findings.

DOB has completed a staffing analysis as part of its 2020 budget requests, updated data headings on its publicly available data sources, and addressed all open and overdue emergency complaints. DOB also worked with the Department of Law to amend the Municipal Code to remove complaint response deadlines, so it is no longer non-compliant with the Code. In addition, DOB used the City's new 311 system to develop monitoring reports. However, the Department has not implemented corrective actions based on OIG's other recommendations made in the 2018 audit. Specifically, DOB has not documented standardized data entry and complaint prioritization protocols, fixed known issues with the filtering and reporting logic of the Department's publicly available data sources, or worked with DoIT to rollout mobile, electronic inspections to all inspection bureaus. Moreover, there are data conversion errors in DOB's inspection record data that occurred when the City moved to a new 311 system, and the Department had a backlog of 1,855 open, overdue complaints as of October 23, 2019.

¹⁰ Published November 19, 2019. See <https://igchicago.org/wp-content/uploads/2019/11/DOB-Complaint-Based-Inspections-Follow-Up.pdf>.

2. Public Building Commission Construction Change Orders Audit Follow-Up Inquiry (#19-0765)¹¹

OIG completed a follow-up to its June 2018 audit of the Public Building Commission of Chicago's (PBC) change order review and approval process. The purpose of the audit was to determine if PBC could provide reasonable assurance to its clients that change orders—i.e., agreements between contractors and clients authorizing departures from originally-approved contract terms—were justified and reasonably priced. Our audit found that while PBC designed a robust change order process, ineffective implementation of the process permitted errors and inconsistencies in the recording of information and recovery of damages. OIG recommended that PBC improve its change order review and approval process and revise and implement its Errors and Omissions (E & O) damage recovery policy.

In response to the audit, PBC described several corrective actions it would implement including standardized electronic cost proposal forms, internal change order trainings, and a comprehensive revision of its E & O Manual.

In August 2019, OIG inquired about corrective actions taken by PBC. Based on PBC's follow-up response, OIG concluded that PBC substantially implemented corrective actions related to the finding that it could not assure its clients all increases in project costs were justified and reasonable. OIG based this conclusion on the PBC's implementation of standardized change order forms, trainings, and procedures, and its progress toward the adoption of an electronic change order tracking system. In addition, OIG concluded that PBC partially implemented corrective actions related to the finding that it could not provide adequate assurance it properly pursued recoverable damages attributable to architect errors. OIG reached this conclusion due to the progress toward the comprehensive update of PBC's E & O Manual and the strengthening of procedures to assess and communicate E & O.

3. Chicago Low-Income Housing Trust Fund Housing Quality Standards Compliance Process Audit (#18-0001)¹²

OIG conducted an audit of the Chicago Low-Income Housing Trust Fund's (the "Trust Fund") management of housing quality inspections (HQS) for units participating in the Rental Subsidy Program (RSP) in 2017.

OIG concluded that the Trust Fund did not ensure that all properties participating in the RSP met its standards for safe, sound, and secure housing in 2017. Specifically, 45.8% of RSP properties did not meet minimum HQS standards, and 61.4% did not meet Chicago Building Code requirements. The Trust Fund overpaid \$30,703 to at least six properties in 2017 and \$6,120 to at least one in 2018. In addition, the Trust Fund did not maintain complete documentation of

¹¹ Published November 26, 2019. See <http://igchicago.org/wp-content/uploads/2019/11/PBC-Change-Order-Follow-Up-Inquiry.pdf>.

¹² Published December 12, 2019. See <http://igchicago.org/wp-content/uploads/2019/12/Chicago-Low-Income-Housing-Trust-Fund-Housing-Quality-Inspections-Audit.pdf>.

known lead hazards, City Building Code violations, and local court action against subsidized properties. Finally, OIG found that the Trust Fund could not accurately gauge the amount of funding it had allotted to RSP properties, and published inaccurate and incomplete quarterly reports from 2014 through 2018. It under-reported its total funding commitments by \$295,680 in 2017 alone.

OIG recommended that the Trust Fund develop a contracting, inspection, and payment process sufficient to ensure that it only subsidizes well-maintained housing for low-income Chicagoans; review prior payments to identify any mistakes; and immediately resolve errors in its property records to ensure accurate reporting. The Trust Fund agreed with the audit findings and committed to merging its inspection, document submission, and payment systems; updating its property inventory to reflect accurate records; and “completely revamping” its reporting.

4. Audit of the Department of Innovation and Technology’s Information Technology Investment Management (#17-0638)¹³

OIG evaluated the Department of Innovation and Technology’s (DoIT) management of the City’s investment in information technology. DoIT is responsible for ensuring that the City’s technology infrastructure meets the needs of City departments and residents. Effective management of an IT portfolio requires consistent and repeatable organizational processes.

We determined that DoIT did not consistently adhere to best practices for project selection, which increased the risk of projects delivering fewer benefits, costing more, and/or taking longer than expected to complete. In addition, DoIT’s data collection practices hamper effective monitoring and evaluation of project and portfolio performance, thereby limiting the Department’s ability to identify opportunities for improvement.

OIG recommended that the Department follow internal policies and industry best practices with respect to project selection, monitoring, and evaluation. These recommendations include completing internal documents to guide these activities, requiring all project managers to follow these policies consistently, and empowering governing committees to meet mandates for project oversight. Project oversight should include evaluation of outcomes and long-term performance in order to inform the Department’s future decision making at the proposal stage.

DoIT agreed with these recommendations and stated that it has undertaken several policy and process changes in order to address these findings.

¹³ Published December 18, 2019. See <https://igchicago.org/wp-content/uploads/2019/12/Audit-of-the-Department-of-Innovation-and-Technologys-Management-of-IT-Investments.pdf>.

VI. ADVISORIES AND DEPARTMENT NOTIFICATION LETTERS

Advisories and department notification letters describe management problems observed by OIG in the course of other activities including audits and investigations. These are problems that OIG believes it should apprise the City of in an official manner. OIG completed two advisories and three notifications this quarter.

1. Department of Streets and Sanitation Bureau of Forestry Tree Trimming Advisory (#19-0719)¹⁴

On August 29, 2019, OIG advised the Department of Streets and Sanitation (DSS) that an OIG investigation involving the Bureau of Forestry determined that DSS uses resources inefficiently and perpetuates inequities between wards by utilizing urban forestry methods that are not aligned with best practices. The DSS Bureau of Forestry is responsible for trimming trees and responding to tree emergencies throughout the City.

DSS currently trims City trees using a reactive, 311 request-based approach rather than using a systematically proactive, arboriculturally based approach. Since DSS crews must travel throughout the City to handle individual 311 requests, they spend more time traveling and fewer City trees are trimmed.

In 2009, in order to better understand this problem and bring attention to the issue, the Bureau of Forestry hired Monitor Group, an independent management consulting firm, to review DSS' 311 request-based trimming program and explore the benefits of returning to a grid-based trimming program. Based on its review, Monitor Group found that the 311 request-based approach was, indeed, inefficient and ineffective, as the Bureau of Forestry spent 75% of its time addressing 311 requests, and 40% of parkway trees (approx. 206,000) had not been trimmed in 10 or more years. They also found that a grid-based approach would make the Bureau of Forestry much more efficient—reducing the average cost per tree trim by 60% and increasing daily tree trims per crew by 147%, which would result in 87% more addresses receiving services over the course of a year.

The concerns raised by the Monitor Group were further supported by OIG analysis, which revealed that certain wards receive significantly more tree trimming services from DSS than others. For example, between January 1, 2011, and December 18, 2018, DSS completed 10,431 tree trim service requests in the 34th Ward, which is more than the 46th (1808), 48th (3020), and 49th (2522) wards combined.

OIG advised DSS to transition to a grid-based approach to tree trimming to reduce these inequities, because all the City's trees would be trimmed on an ongoing, cyclical basis, which would optimize its use of City resources, more effectively maintain and preserve the urban forest as a critical City asset, and better and more equitably serve City residents.

¹⁴ Published October 30, 2019. See <https://igchicago.org/wp-content/uploads/2019/10/OIG-Advisory-Concerning-DSS-Inefficient-Tree-Trimming-Operations.pdf>.

DSS did not disagree with OIG's recommendation, but stated that a transition to a grid-based approach on a 7 to 10-year cycle is not currently feasible, because it would require 15 to 20 additional crews. Accordingly, DSS asserted that its current approach of prioritizing emergency and safety-based trims and using 311 requests has "provided a structure to address areas of need within available resources." DSS noted that it intends in 2020 to develop a comprehensive tree inventory of the entire City canopy, to gather information regarding the number and location of trees, the size and species, and any electric wire interference to better inform the daily scheduling process.

2. DPD Negotiated Land Sales Program Notification (#19-0630)

OIG issued a notification to the Department of Planning and Development (DPD) regarding the Department's negotiated land sales program. Negotiated sales require eligible buyers of City-owned real estate to adhere to terms specified in Redevelopment Agreements (RDAs) approved by City Council.¹⁵ OIG launched this inquiry as a performance audit with the objective of determining whether DPD ensures that entities purchasing City-owned land comply with all associated development and community benefit requirements. Following interviews of DPD staff and review of completed negotiated sales transactions, we concluded that the risk of noncompliance with RDAs and community benefit obligations was low.

During the course of our work, however, OIG identified two aspects of the negotiated sale program that could be strengthened. First, we discovered records of sales completed before 2016 that had not received Certificates of Completion. These Certificates are issued by DPD once it has certified that a developer complied with construction-related requirements in the RDA. Because these projects lack certificates, it is possible they were either never completed or completed in ways that did not comply with their RDAs. DPD staff stated that it is not current departmental practice to reach out to buyers and ensure that Certificates are issued. OIG suggested that DPD work with owners of these projects to ensure that Certificates of Completion are issued. DPD agreed to implement this suggestion and stated that it would contact owners of pre-2016 projects without Certificates by the end of 2019.

Second, OIG identified issues with DPD's monitoring of compliance with post-construction RDA provisions. Prior to 2015, the Department's Neighborhood Development Division was responsible for all post-construction monitoring. According to DPD staff and records, in 2015, the Department began assigning post-construction monitoring responsibilities for new negotiated sale projects to its Financial Incentives Division. Projects previously assigned to Neighborhood Development remain that division's responsibility. According to DPD staff, the different divisions do not monitor projects in a consistent manner. OIG suggested that DPD consider shifting all post-construction monitoring to the Financial Incentives Division. DPD agreed to implement this suggestion, with the transition being complete by July 1, 2020.

¹⁵ City of Chicago, "Planning and Development: City-Owned Land Sale Programs," accessed October 21, 2019, https://www.chicago.gov/city/en/depts/dcd/supp_info/city-owned-land-sale-programs.html.

3. Chicago Public Library Global Positioning System Data Tracking Notification (#19-0009)

OIG notified the Chicago Public Library (CPL) about a concern regarding CPL not installing Global Positioning System (GPS) data tracking in its vehicles, resulting in an accountability gap relative to most other City departments, including, but not limited to, allowing for opportunities for unauthorized use of City vehicles. The City outfits most of its vehicles with GPS data tracking, which is done for a variety of monitoring purposes, including the detection of suspicious behavior and patterns. GPS data is useful evidence of various forms of City employee misconduct and can indicate potential red flags for investigation, such as deviations from assigned routes. GPS location data can provide historical and real-time information regarding the location of City assets and increase employee accountability. Moreover, the mere physical presence of a GPS receiver in a City vehicle could potentially act as a deterrent in preventing some employees from engaging in misconduct at the outset.

An OIG investigation determined that as of December 2018, CPL utilized at least seven trucks driven by CPL motor truck drivers (MTDs) to perform daily CPL branch deliveries. OIG learned that CPL trucks are not GPS-equipped, and truck drivers do not have GPS-equipped, City-issued cellular phones. OIG was therefore unable to obtain GPS location data for a particular CPL vehicle that would have provided valuable evidence to prove or disprove an allegation of apparent misuse of a CPL vehicle. The only documentation of CPL deliveries to the various CPL branches is what MTDs self-report on daily log sheets. GPS tracking of CPL vehicle locations would provide a way to verify the accuracy of the daily logs.

OIG recommended that CPL work with the Department of Fleet and Facility Management to install GPS data tracking in its City vehicles consistent with current Citywide practice to ensure proper use of City resources and to provide better managerial oversight. The adoption of this measure will assist CPL in holding its employees accountable for their productivity and whereabouts.

In response, CPL informed OIG that it is working to purchase and install GPS data tracking units in its City trucks driven by MTDs.

4. Unregistered Ward Office Equipment Notification (#17-0632)

On October 31, 2019, OIG issued a notification to the Department of Fleet and Facility Management (2FM), reporting that a recent OIG investigation had revealed an alderman's office was not in compliance with the 2FM Vehicle and Equipment Policy because it failed to register with 2FM a graffiti blaster and utility trailer the alderman purchased with City funds and failed to have that equipment serviced by 2FM. That same ward office also maintains a City-owned ATV used for snow plowing.

The alderman, in contravention of the policy applying to all City vehicles, subsequently allowed state employees to operate the City-owned graffiti blaster in and around the alderman's ward. 2FM did not have any record of the equipment in its database. See 2FM Vehicle and Equipment Use Policy § VI & VII (stating that "[a]ll City Vehicle and City Equipment purchases will be

coordinated by 2FM's Equipment Management Division with prior approval by [the Office of Budget Management]" and that "[a]ll City Vehicles and City Equipment will be plated and titled to the City of Chicago by 2FM, which shall retain all titles"). Finally, the alderman informed OIG that the graffiti blaster and utility trailer were serviced by a private individual, not 2FM.

OIG recommended that, in order to appropriately maintain and preserve City assets and to protect the City from potential liability, 2FM consider reaching out to the 50 ward offices to identify any such City-owned equipment, particularly those assets requiring title and registration with the Illinois Secretary of State, and remind aldermen that such equipment should be fueled, serviced, and maintained in accordance with the 2FM Vehicle and Equipment Policy, which governs all "City-owned leased and rented vehicles including automobiles, trucks, utility vehicles and vans (City Vehicles), and all other City-owned, leased, rented, off-road and miscellaneous equipment (City Equipment)." Absent identification of all City-owned vehicles and equipment in the custody and control of the 50 ward offices, the City could be exposed to liability if, as in the present case, non-City employees are allowed to operate City equipment or if City equipment is not appropriately serviced. OIG further recommended that 2FM remind aldermen that such equipment should be fueled, serviced, and maintained in accordance with the 2FM Vehicle and Equipment Policy.

In response, 2FM wrote that City-owned equipment in the possession of an alderman falls outside 2FM's jurisdiction for oversight and maintenance. 2FM cited the municipal code provision which sets out 2FM's powers and duties and defines the "fleet" to be vehicles and equipment "owned or leased by the city for use of any city department or agency." Noting that the equipment purchased with the aldermanic expense allowance is property of the City, 2FM concluded that such equipment is nevertheless not within its jurisdiction because it is for use by an alderman, not a City department or agency. 2FM did not acknowledge the discrepancy between its policy, which reads to apply to all city vehicles and equipment, and its narrower jurisdiction as provided in the MCC.

2FM noted that MCC § 2-8-110 sets forth the protocol for the disposal of such equipment when an alderman leaves office, which provides, in relevant part:

In the event of a vacancy or change in the office of an alderman, any personal property purchased with city funds in the possession of the vacating alderman shall transfer to the alderman's successor. If the successor alderman determines that use of any such personal property is no longer necessary then such personal property shall be transferred to the committee on committees, rules and ethics, and if not wanted by any other alderman, then to the department of fleet and facility management for treatment as surplus or salvage property.

2FM wrote that it will continue to work with aldermen who are leaving office to ensure that such property is managed in the most efficient and effective manner and in accordance with all applicable laws and policies.

5. Chicago Police Department Preferential Parking Advisory (# 16-0235)¹⁶

On August 9, 2019, OIG advised CPD of concerns regarding its members misusing CPD parking placards to secure illegal parking spots for themselves and their family and friends near City Hall as well as at CPD parking lots to attend nearby sporting events. The preferential and illegal parking continued well after CPD issued directive #236336 on February 7, 2018, prohibiting the provision of “courtesy” parking by CPD members.

An OIG investigation found that CPD officers misused their assigned CPD First District parking placards that are strictly for the First District station parking lot, and gave the placards to friends and family to avoid being ticketed, towed, or moved from 140 West Court Place, an alleyway located near City Hall. Furthermore, CPD officers and non-CPD members used the placards to repeatedly park illegally on 140 West Court Place in violation of Chicago Municipal Code 9-64-100, which prohibits the parking of any vehicle in a fire lane, under the lowest portion of fire escapes, and on the same side of any exit of a theater building. Illegally parking on 140 West Court Place caused potential safety hazards. The investigation also found that at the First and Nineteenth Districts, CPD members and their friends and family are allowed to park personal vehicles at the district stations to attend nearby sporting events at Soldier Field and Wrigley Field.

Based on its findings, OIG recommended that CPD issue a departmental policy requiring that CPD-issued parking placards for any CPD location be strictly used at the location designated on the placard and used only by authorized CPD members for official CPD business. OIG further recommended that CPD ensure that directive #236336 is strictly adhered to, and that CPD enforce the no parking designation on Court Place and on adjacent streets and alleys around City Hall in order to protect and ensure the safety of the theater and the City in case of emergency.

In response, CPD ignored OIG’s recommendation to ensure that directive #236336 is strictly adhered to and has not issued a departmental policy outlining the requirements for CPD-issued parking placards issued for any CPD location. In regards to OIG’s recommendation that CPD enforce the no parking designation on Court Place and around City Hall, CPD stated that members assigned to City Hall have discontinued parking at Court Place and LaSalle Street, have retrieved the First District parking placards, and no longer honor their use in and around City Hall. CPD has also prohibited CPD personnel and non-CPD members from parking personal vehicles in these areas.

The First District commander has communicated to CPD personnel that the First District parking lot is reserved for on-duty police officers and members of the department working or conducting business in the building and that the parking lot is not for personal use. However, the First District commander acknowledged that unauthorized individuals may continue to use the

¹⁶ Published October 8, 2019. See <https://igchicago.org/wp-content/uploads/2019/10/OIG-Advisory-Concerning-CPD-Preferential-Parking.pdf>.

parking lot, concluding that the assignment of sworn personnel to patrol the parking lot would not be a beneficial use of resources.

CPD further stated that the Nineteenth District commander has set up a system to allow off-duty officers to park in extra spots in the Nineteenth District parking lot during events at Wrigley Field. The Nineteenth District commander assigns a bike unit to monitor the area around the parking lot during games, and “best efforts” are made to ensure only CPD members park in the parking lot. The Nineteenth District commander’s goal is to provide off-duty members attending Wrigley Field the ability to safely store their firearms in a monitored parking lot and these members could be contacted in the event of an emergency and could quickly retrieve their firearms. However, CPD did not address the concern that the friends, family, and non-CPD members also received preferential parking at the Nineteenth District.

VII. OTHER REPORTS AND ACTIVITIES

As an expert in government oversight and as part of its mission to promote economy, effectiveness, efficiency, and integrity, OIG may periodically participate in additional activities and inquiries in the service of improving accountability in City government. During this quarter, there was one additional report.

1. Update on OIG's 2016 Notification Regarding Implementation of the City's Information Security and Technology Policies (#15-0547)

In August 2016, OIG issued a notification to the Mayor's Office regarding the status of DoIT's multi-year plan to fully implement the City's Information Security and Technology Policies (ISTP). OIG encouraged the Mayor's Office to empower and resource DoIT to expedite its implementation plan, and to ensure all departments understand and prioritize their roles in achieving and maintaining full compliance with the ISTP. In response, the Mayor's Office and DoIT committed to increasing the number of DoIT staff dedicated to information security; convening a working group including DoIT, the Mayor's Office, and representatives of other departments to coordinate implementation through regular meetings; setting formal long-term milestones for full and ongoing implementation of the ISTP; and keeping OIG apprised of its progress towards full implementation.

For the past three years, DoIT provided OIG with quarterly updates on its progress, with the final update provided in December 2019. OIG concludes that DoIT has strived diligently to make the City's IT systems more secure. Among other things, the Department convened an Information Security Governance Council that meets quarterly to discuss Citywide cyber security efforts. However, personnel turnover has hampered DoIT's progress. This problem is particularly acute now, due to the City's hiring freeze and the Department's loss of an IT security architect to 2020 budget cuts. After three years, DoIT has yet to finish revising the ISTP and distributing it to all departments—a core concern we raised in our 2016 notification. OIG urges the Mayor's Office and leadership for the new Department of Assets, Information, and Services to provide adequate resources for the Bureau of Information Technology to put in place the governance, systems, and personnel needed to protect the City's IT assets.¹⁷

¹⁷ Effective January 1, 2020, the former Department of Innovation and Technology and Department of Fleet and Facility Management were combined into the new Department of Assets, Information, and Services.

VIII. HIRING OVERSIGHT

Under Chapter XII of the City of Chicago General Hiring Plan, Chapter XI of CPD Hiring Plan, and Chapter IX of the CFD Hiring Plan, OIG is required to review and audit various components of the hiring process and report on them quarterly.¹⁸ The City's Hiring Plans require both reviews and compliance audits. The Hiring Plans define reviews as a "check of all relevant documentation and data concerning a matter," and audits as a "check of a random sample or risk-based sample of the documentation and data concerning a hiring element."

A. HIRING PROCESS REVIEWS

1. Contacts by Hiring Departments

OIG tracks all reported or discovered instances where hiring departments contacted DHR or the Chicago Police Department Human Resources (CPD-HR) to lobby for or advocate on behalf of actual or potential Applicants or Bidders for Covered Positions or to request that specific individuals be added to any referral or eligibility list.

OIG did not receive any reports of direct contacts in the fourth quarter.

2. Political Contacts

OIG tracks all reported or discovered instances where elected or appointed officials of any political party or any agent acting on behalf of an elected or appointed official, political party, or political organization contact the City attempting to affect any hiring for any Covered Position or Other Employment Actions.

Additionally, City employees often report contacts by elected or appointed officials that may be categorized as inquiries on behalf of their constituents but not an attempt to affect any hiring decisions for any Covered Position or Other Employment Actions.

During this quarter, OIG received notice of two political contacts:

- A representative from the Mayor's Office contacted DHR to inquire about the status of a candidate for the covered position of carpenter in CDA.
- An alderman contacted DHR to inquire about the status of a candidate for the covered position of pool motor truck driver in CDA and DSS.

¹⁸ On June 24, 2011, the City of Chicago filed the 2011 City of Chicago Hiring Plan (General Hiring Plan). The General Hiring Plan, which was agreed to by the parties and approved by the Court on June 29, 2011, replaced the 2007 City of Chicago Hiring Plan, which was previously in effect. This Hiring Plan was refiled, though not amended, on May 15, 2014. The City of Chicago also filed an amended Chicago Police Department Hiring Plan for Sworn Titles (CPD Hiring Plan) and an amended Chicago Fire Department Hiring Plan for Uniformed Positions (CFD Hiring Plan) on May 15, 2014, which were approved by the Court on June 16, 2014. Collectively, the General Hiring Plan, the CPD Hiring Plan, and the CFD Hiring Plan will be referred to as the "City's Hiring Plans."

3. Exemptions

OIG tracks all reported or discovered Shakman Exempt appointments and modifications to the Exempt List on an ongoing basis.

OIG received notification of 41 exempt appointments this quarter.

4. Senior Manager Hires

OIG reviews hires pursuant to Chapter VI covering the Senior Manager Hiring Process. Of the 46 hire packets OIG reviewed this quarter, 10 pertained to senior manager positions, 2 of which contained an error. The errors involved missing or incomplete documentation, which DHR corrected after being informed of the errors by OIG. Due to the nature of the errors and the corrective action taken, OIG had no further recommendations.

5. Written Rationale

When no consensus selection is reached during a consensus meeting, a written rationale must be provided to OIG for review.¹⁹

During the last quarter, OIG did not receive any written rationales for review.

6. Emergency Appointments

OIG reviews circumstances and written justifications for emergency hires made pursuant to the Personnel Rules and MCC § 2-74-050(8).

The City reported no emergency appointments in the last quarter.

7. Review of Contracting Activity

OIG is required to review City departments' compliance with the City's Contractor Policy (Exhibit C to the City's Hiring Plan). Per the Contractor Policy, OIG may choose to review any solicitation documents, draft agreements or final contract or agreement terms to assess whether they are in compliance with the Contractor Policy. This review includes analyzing the contract for common-law employee risks and ensuring the inclusion of Shakman boilerplate language.

Under the Contractor Policy, departments are not required to notify OIG of all contract or solicitation agreements or task orders. However, all contract and solicitation agreements that OIG receives notice of will be reviewed. In addition, OIG will request and review a risk-based sample of contract documents from departments.

¹⁹ A "consensus meeting" is a discussion that is led by the DHR Recruiter at the conclusion of the interview process. During the consensus meeting, the interviewers and the Hiring Manager review their respective interview results and any other relevant information to arrive at a hiring recommendation.

In addition to contracts, pursuant to Chapter X of the Hiring Plan, OIG must receive notification of the procedures for using volunteer workers at least 30 days prior to implementation. OIG also receives additional notifications of new interns and/or volunteer workers for existing programs.²⁰

The table below details contracts and internship opportunities OIG reviewed this quarter.

TABLE #7 – CONTRACT AND INTERNSHIP OR VOLUNTEER OPPORTUNITY NOTIFICATIONS

Contracting Department	Contractor, Agency, Program, or Other Organization	Duration of Contract/ Agreement
2FM	Vehicle and Equipment Management Services	5 years
Business Affairs and Consumer Protection	Hearing Officer Services	Ongoing
Transportation	Engineering Management Services	5 years
Cultural Affairs and Special Events	Sponsorship Consulting Services	2 years
Finance	Auditing Services	3 years
Mayor's Office	The University of Chicago Urban Policy and Research Program	7 months

B. HIRING PROCESS AUDITS

1. Modifications to Class Specifications,²¹ Minimum Qualifications, and Screening and Hiring Criteria

OIG reviews modifications to Class Specifications, minimum qualifications, and screening and hiring criteria. This quarter, OIG received notifications that DHR changed the minimum qualifications for four titles within the following departments: Aviation, Fire, Transportation, and Finance.

OIG reviewed each of the proposed changes to minimum qualifications and had no objections.

2. Referral Lists

OIG audits lists of applicants/bidders who meet the predetermined minimum qualifications generated by DHR for City positions. OIG examines a sample of referral lists and notifies DHR when potential issues are identified. This quarter, OIG audited three referral lists and did not find any errors.

²⁰ Chapter X.B.6 of the General Hiring Plan.

²¹ "Class Specifications" are descriptions of the duties and responsibilities of a class of positions that distinguish one class from another. They are, in effect, the general descriptions utilized to determine the proper level to which a position should be assigned, and they include the general job duties and minimum qualifications of the position. Class Specifications shall include sufficient detail so as to accurately reflect the job duties.

3. Testing

The Hiring Plan requires that OIG conduct an audit of DHR test administrations and scoring each quarter. This quarter, OIG audited testing administration materials for 32 test administrations covering 14 City departments, which were completed during the third quarter of 2019.

OIG will report on its audit findings and DHR's response in a subsequent quarterly report.

4. Selected Hiring Sequences

Each quarter, the Hiring Plan requires OIG to audit at least 10% of in-process hiring sequences and at least 5% of completed hiring sequences conducted by the following departments or their successors: 2FM, CDA, CDOT, DOB, DSS, DWM, and six other City departments selected at the discretion of OIG.

Auditing the hiring sequence requires an examination of the hire packets, which include all documents and notes maintained by City employees involved in the selection and hiring process for a particular position. As required by the Hiring Plan, OIG examines some hire packets during the hiring process and examines other packets after the hires are completed.

Last quarter, OIG audited hire packets for 30 hiring sequences completed during the second quarter of 2019. The audit identified two errors involving missing consensus meeting notes and an incomplete hire certification. OIG renewed its recommendation that DHR provide recruiters with written guidance and training to ensure consistent practices among all DHR recruiters. In response, DHR stated it would provide a reminder to recruiters about taking complete notes during consensus meetings. DHR also indicated it is still working to create a recruiter training manual.

This quarter, OIG completed an audit of hire packets for 36 hiring sequences completed across 18 departments during the third quarter of 2019. OIG provided its findings to DHR and will report on the response in a later quarter.

5. Hiring Certifications

OIG audits the City's compliance with Chapter XII.C.5 of the General Hiring Plan. A Hiring Certification is a form completed by the selected candidate(s) and all City employees involved in the hiring process to attest that no political reasons or factors or other improper considerations were taken into account during the applicable process.

OIG reviewed 46 hire packets this quarter and two contained a hire certification error.

6. Selected Department of Law Hiring Sequences

Pursuant to Section B.7 of the Department of Law (DOL) Hiring Process, OIG has the authority to audit DOL hiring files. Hiring files include assessment forms, notes, documents, written

justifications, and hire certification forms. In 2018, DOL became the repository for all documentation related to the hiring sequences for the titles covered by the DOL Hiring Process. OIG will conduct an audit of DOL hire packets on a bi-annual basis.

Last quarter, OIG completed its first audit of 22 hiring files for DOL sequences completed during the first half of 2019. OIG did not identify any errors. However, OIG had two recommendations regarding screening documentation. Specifically, OIG recommended that DOL modify its current screening form to require explanation for why candidates were or were not selected for an interview and that DOL use the revised screening forms for all positions covered by the DOL Hiring Process.

In response, DOL declined to fully document their selection process by extending the use of screening forms for candidates who are not selected for an interview. However, DOL stated the Department is “currently considering” utilizing the screening form for all positions covered by the DOL Hiring Plan.

OIG notes that DOL’s current refusal to fully document their selection process is a reversal from the prior administration’s representations to OIG. In 2018 the DOL Hiring Plan was revised to allow DOL to have complete control of their hiring and selection process, without DHR recruiters conducting any screening of minimum qualifications. OIG, DHR, and DOL discussed that since DHR is no longer screening for minimum qualifications, the screening form that DOL utilizes would need to be updated to ensure that all considered candidates were minimally qualified and screened on consistent criteria. OIG and DOL engaged in numerous additional conversations and follow-up meetings throughout 2018 and into 2019 to negotiate the contents of the revised screening criteria. DOL, under a new administration, and contrary to prior discussions has now changed its position to update its screening forms to account for the additional screening responsibilities.

7. Selected Chicago Police Department Assignment Sequences

Pursuant to Chapter XII of the CPD Hiring Plan for Sworn Titles, OIG has the authority to audit Other Employment Actions, including district or unit assignments, as it deems necessary to ensure compliance with this Hiring Plan. Generally, OIG audits assignments that are not covered by a collective bargaining unit and which are located within a district or unit.

Assignment packets include all documents and notes maintained by employees involved in the selection processes outlined in Appendix D and E of the CPD Hiring Plan. On a quarterly basis, OIG selects a risk-based sample of assignment packets for completed process review after selections have been made and the candidates have begun their assignments.

During the third quarter of 2019 OIG completed an audit of 4 non-bid duty assignment sequences and 5 non-bid unit assignments completed during the second quarter of 2019. OIG identified 2 documentation errors concerning non-bid assignments. In both instances, materials related to the written exercises used to evaluate candidates were missing from the assignment packet. Due to the missing documentation, OIG was unable to conduct a thorough and complete

review of the selected assignment sequences. OIG recommended that CPD-HR ensure that all evaluation materials, including instructional and relevant supplemental exercises, are properly maintained in the assignment packets prior to submission for review. CPD-HR agreed with the findings and agreed to ensure all materials used to evaluate candidates would be maintained and included for review.

OIG completed an audit of 5 non-bid duty assignment sequences and 3 non-bid unit assignments completed during the third quarter of 2019. OIG will report on its audit findings and CPD's response in a subsequent quarterly report.

8. Selected Chicago Fire Department Assignment Sequences

Pursuant to Chapter X of the CFD Hiring Plan for Uniformed Positions, OIG has the authority to audit Other Employment Actions, including assignments, "as it deems necessary to ensure compliance with [the] CFD Hiring Plan." Assignment packets include all documents utilized in a specialized unit assignment sequence, including, but not limited to: all forms, certifications, licenses, and notes maintained by individuals involved in the selection process. OIG selects a risk-based sample of assignment packets for completed process review after CFD issues unit transfer orders and candidates have begun their new assignments.

Last quarter, OIG selected a sample of assignment packets for completed process review covering 8 assignment sequences. The audit identified 3 errors in 2 assignment sequences that involved documentation errors. OIG recommended that CFD-HR thoroughly review all documentation and ensure that all required documentation is included in each assignment packet, including hire certification forms, prior to submitting to the DHR recruiter. In response, CFD-HR agreed and will ensure all master hire certification and candidate assessment forms are fully completed moving forward.

This quarter, CFD did not process any specialized unit assignments for OIG to audit.

9. Monitoring Hiring Sequences

In addition to auditing hire packets, OIG monitors hiring sequences as they progress by attending and observing intake meetings, interviews, tests, and consensus meetings. The primary goal of monitoring hiring sequences is to identify any gaps in internal controls. However, real-time monitoring also allows OIG to detect and seek to address compliance anomalies as they occur.

OIG identifies the hiring sequences to be monitored based on risk factors such as past errors, complaints, and historical issues with particular positions. This quarter, OIG monitored 6 intake meetings, 4 sets of interviews, and 5 consensus meetings. The table below shows the breakdown of monitoring activity by department.²²

²² If a department is not included in this table, OIG did not monitor any elements of that department's hiring sequence(s).

TABLE #8 –OIG MONITORING ACTIVITIES IN THE FOURTH QUARTER

Department	Intake Meetings Monitored	Tests Monitored	Interview Sets Monitored	Consensus Meetings Monitored
CDA	0	0	1	1
CDOT	0	0	1	2
CFD	0	2	0	0
CPD	1	1	0	0
DWM	0	0	1	1
Finance	4	0	1	1
Multiple ²³	1	0	0	0

10. Acting Up²⁴

OIG audits the City’s compliance with Chapter XI of the General Hiring Plan and the Acting Up Policy. OIG received notice of eight DHR-approved waiver request to the City’s 90-Day Acting Up limit this quarter.²⁵

TABLE #9 – ACTING UP WAIVERS IN THE FOURTH QUARTER

Department	Acting Position	Number of Employees	Date of Response	Expiration of Waiver
2FM	General Foreman of Electrical Mechanics	1	10/10/19	12/31/19
CDOT	Foreman of Construction Laborers	3	10/10/19	12/31/19
DWM	Laborer Sub Foreman	2	10/22/19	10/31/19
CDOT	Foreman of Cement Laborers	6	12/10/19	12/31/19
CDOT	Foreman of Linemen	4	12/10/19	12/31/19

²³ Representatives from DHR, OIG, DOL, CDA, CDOT, DWM and DSS participated in a combined intake meeting for the position of hoisting engineer. The goal of the meeting was to create a universal posting for the position, which would facilitate the development of a citywide pool of candidates for departments in need of hoisting engineers.

²⁴ “Acting Up” means an employee is directed or is held accountable to perform, and does perform, substantially all the responsibilities of a higher position.

²⁵ Pursuant to the Acting Up Policy, no employee may serve in an Acting Up assignment in excess of 90 days in any calendar year unless the department receives prior written approval from DHR. The department must submit a waiver request in writing signed by the Department Head at least 10 days prior to the employee reaching the 90-day limitation. If the department exceeds 90 days of Acting Up without receiving a granted waiver request from DHR, the department is in violation of the Policy.

CDOT	Foreman of Traffic Signal Repairmen	2	12/10/19	12/31/19
CDOT	General Foreman of Traffic Signal Repairmen	2	12/10/19	12/31/19
CDOT	General Foremen of Linemen	1	12/10/19	12/31/19

11. Arbitrations and Potential Resolution of Grievances by Settlement

Chapter XII.C.7 of the City's Hiring Plan requires the Hiring Oversight section to audit grievance settlement decisions that may impact procedures governed by the Hiring Plan.

During this quarter, OIG received notice of four settlement agreements which resulted in employment actions from DHR. The settlement agreements resulted in: the reclassification of a covered position; the revision of job posting language due to the consolidation of two job classifications; the addition of an employee to an eligibility list for a promotional exam; and the creation of a universal job posting for a covered position.

C. REPORTING OF OTHER OIG HIRING OVERSIGHT ACTIVITY

1. Escalations

Recruiters and analysts in DHR and CPD-HR must escalate concerns regarding improper hiring by notifying OIG. In response to these notifications, OIG may take one or more of the following actions: investigate the matter, conduct a review of the hiring sequence, refer the matter to the DHR commissioner or appropriate department head for resolution, or refer the matter to the OIG Investigations section.

This quarter, OIG did not receive notice of any new escalations. OIG has one escalation pending. OIG will report on its findings for the pending escalation and the department's response in a future quarterly report.

2. Processing of Complaints

OIG receives complaints regarding the hiring process, including allegations of unlawful political discrimination and retaliation and other improper considerations in connection with City employment. All complaints received by OIG are reviewed as part of OIG's complaint intake process. Hiring-related complaints may be resolved in several ways depending upon the nature of the complaint. If there is an allegation of a Hiring Plan violation or breach of a policy or procedure related to hiring, OIG may open a case into the matter to determine if such a violation or breach occurred. If a violation or breach is sustained, OIG may make corrective recommendations to the appropriate department or may undertake further investigation. If, after sufficient inquiry, no violation or breach is found, OIG will close the case as not sustained.

If, in the course of an inquiry, OIG identifies a non-hiring-related process or program that could benefit from a more comprehensive audit, OIG may consider a formal audit or program review.

OIG had 1 pending complaint from the prior quarter and received 4 complaints this quarter related to the City's hiring practices. The table below summarizes the disposition of these complaints, as well as those pending from the previous quarter.

TABLE #10 – HIRING OVERSIGHT COMPLAINTS RECEIVED IN THE FOURTH QUARTER

Complaint Status	Number of Complaints
Pending From Previous Quarter	1
Received This Quarter	6
Opened Investigation	1
Declined	2
Referred to Department	1
Complaints Pending as of End of Quarter	3

Hiring Oversight closed 4 cases this quarter. It referred 1 case to another department, closed not sustained 1 case, closed sustained with recommendation 1 case, and closed administratively 1 case.

TABLE #11 – HIRING OVERSIGHT CASES IN THE FOURTH QUARTER

Case Status	Number of Cases
Pending From Previous Quarter	14
Opened This Quarter	3
Cases Referred	1
Closed Not Sustained	1
Closed Sustained with Recommendation	1
Closed Administratively	1
Cases Pending as of End of Quarter	13

1. Chicago Police Department Assignments not Meeting Minimum Requirements (# 18-0035)

In the fourth quarter of 2017, OIG received an anonymous complaint alleging that four CPD sergeants obtained assignments within the Bureau of Detectives and Bureau of Organized Crime without having the required experience for the assignments. OIG conducted a review of the sergeant hiring sequence at issue which revealed that these sergeants were not properly assigned through the Appendix E process outlined in the CPD Hiring Plan. Appendix E states that CPD “*may choose to, but is not required to, use any specific selection process in filling Non-Bid Unit Assignments at managerial levels and Personal Staff Assignments of Command Staff Members*” [emphasis added]. However, the CPD Hiring Plan: Appendices D and E Training reads, “If a specific process is used, it must be used exclusively and entirely.” If a unit has opted to use a process, then they must apply that process consistently to all candidates throughout the hiring

sequence. None of the sergeants at issue applied for the posting or were interviewed, nor did they meet the one year in grade requirement. They were initially detailed, then assigned outside of the assignment process, in violation of the CPD Hiring Plan. OIG therefore recommended that CPD-HR act as a resource to help guide units and departments when undergoing organizational and management shifts, to ensure the hiring and selection process is seamlessly followed in the future. OIG recommended that CPD-HR should promptly help assess and inform new command staff on issues such as staffing and selection needs prior to implementing any changes.

In response, CPD-HR reviewed and determined that these assignments were administered due to a lack of understanding of the Hiring Plan, the time the original notice of job opportunity was posted, and the turnover within the command staff of the units in question. CPD-HR agreed with OIG's recommendation to include supervisory specific unit assignment reviews when requested for assignment. CPD-HR also stated that it has instituted a process to cross check eligibility pools with assignment requests to help prevent an error of this nature in the future.

2. Chicago Department of Transportation Acting Up (#18-0174)

In the first quarter of 2018, OIG received an anonymous complaint alleging preferential treatment within CDOT's "traffic shop." Specifically, the complainant stated that a general foreman of linemen assigned a less senior traffic signal repairman (TSR) to the indoor traffic shop despite having the least seniority as a TSR. In the third quarter of 2018, OIG received a second, related anonymous complaint alleging preferential treatment in Acting Up assignments for the TSR foreman following the retirement of the general foreman of linemen. Due to the vacancy, foremen were Acting Up into the general foreman position, which resulted in TSRs Acting Up into the foreman position. The complainant alleged only three individuals were being allowed to Act Up, rather than the required rotation of all employees. According to the complainant, those three were Acting up because of their schedules and because they were assigned to the traffic shop.

The job specification for TSR does not contain distinctions among the duties for assignments to the field or shop. The job posting does not indicate where selected candidates will be assigned. The job specification and posting indicate that CDOT can assign TSRs to different locations as needed. The International Brotherhood of Electrical Workers Local 9 (IBEW) collective bargaining agreement (CBA) does not require CDOT to assign work location by seniority. CDOT is not required to use a process when assigning work locations, provided that improper factors are not considered. The less senior person who was assigned to the traffic shop position has more than 25 years of experience in traffic signal installation and repair and has been an IBEW member for more than 20 years. Despite having less seniority with the City, this least senior individual is qualified to work on the complex signal housing boxes in the traffic shop. Additionally, the logs and attendance sheets show that the individual is assigned to the shop on most days but goes into the field a few days per month. In contrast, TSRs assigned to the field do not appear to work in the shop. Because CDOT can assign workers as needed, there is no evidence of preferential treatment regarding the assignment locations.

Regarding the second related complaint, the Acting Up Policy does require the opportunity to be rotated and offered assignments based on seniority. Departments are required to obtain waivers from employees who do not wish to Act Up. OIG's review confirmed that field employees Act Up into the field foreman position and shop employees Act Up into the shop foreman position. Separating the eligible employees by work location (field or shop) is within CDOT's right to manage operations of the traffic section. OIG's review revealed that the least senior employee assigned to the shop Acted Up as a TSR foreman less than the other TSRs who are assigned to the shop and have more seniority. CDOT does not have an obligation to offer the shop Acting Up opportunity to field employees.

OIG found that CDOT did not violate City policy by assigning a less senior but qualified TSR to the traffic shop. However, OIG recommended that DHR and CDOT consider establishing an assignment and/or training process for TSRs interested in being assigned to the shop. Having a more transparent assignment process may prevent the appearance of preferential treatment.

CDOT decided to take no action in response to OIG's recommendation. CDOT stated that it would continue the practice of on-site training for all TSRs in the field and the traffic shop. CDOT also stated that it will commit to posting traffic shop volunteer opportunities in a "centrally located easily visible spot to further promote transparency." Lastly, CDOT stated that employees can request a change in assignment which will be processed according to the IBEW CBA. DHR did not respond to OIG's recommendation to work with CDOT establish a more transparent assignment process.

IX. PUBLIC SAFETY

The Public Safety section (PS) supports the larger OIG mission of promoting economy, efficiency, effectiveness, and integrity by conducting independent, objective evaluations and reviews of the Chicago Police Department (CPD), the Civilian Office of Police Accountability (COPA), and the Police Board. PSIG additionally conducts inspections of closed disciplinary investigations conducted by COPA and CPD's Bureau of Internal Affairs (BIA).

A. INSPECTIONS UNIT

The Public Safety section's Inspections Unit reviews individual closed disciplinary investigations conducted by COPA and BIA. OIG may make recommendations to inform and improve future investigations and, if it finds that a specific investigation was deficient such that its outcome was materially affected, may recommend that it be reopened. Closed investigations are selected for in-depth review based on several criteria, including but not limited to the nature and circumstances of the alleged misconduct, and its impact on the quality of police-community relationships; the apparent integrity of the investigation; and the frequency of an occurrence or allegation. The closed investigations are then reviewed in a process guided by the standards for peer review of closed cases developed by the Council of Inspectors General on Integrity and Efficiency. OIG assesses sufficiency across several categories, including timeliness, professional standard of care, interviews, evidence collection and analysis, internal oversight, and case disposition.

This quarter, the Inspections Unit examined 117 closed disciplinary cases and opened 16 for in-depth review.

TABLE #12 – DISCIPLINARY CASES REVIEWED

Agency	Cases Screened	Cases Opened
BIA	35	2
COPA	82	14
Total	117	16

OIG found that two COPA investigations contained deficiencies which materially affected their outcome and recommended that they be reopened. COPA accepted one of OIG's recommendations and reopened that case. In response to the second recommendation, COPA declined to reopen the investigation, but stated that it would clarify its evidentiary record based on OIG's review and recommendation.

1. Recommendation to Reopen Based on Failure to Consider a Statement by the Accused Officer (#19-1419)

COPA received a complaint alleging that, during a traffic stop, a CPD officer walked toward the complainant's vehicle with their gun pointed at the complainant, ordered the complainant out of the vehicle, and placed the complainant in handcuffs without probable cause. COPA brought

several allegations against the accused officer, including an allegation of excessive force arising out of the officer pointing their weapon at the complainant's face.

As part of its review of COPA's investigation, OIG reviewed the accused officer's audio interview, body-worn camera (BWC) footage, and the summary report of investigation. During the audio interview, the accused officer confirmed that they had, in fact, pointed their weapon at the complainant. COPA's summary report did not reflect this statement, nor was this statement apparently considered in COPA's analysis of the excessive force allegation.

In its summary report, COPA describes its review of available BWC footage. Based on its review, COPA concluded that the accused officer was not pointing a gun at the complainant, and that the BWC footage "refute[d]" the allegation on that point. Based on OIG's review of the BWC footage, however, the accused officer's gun is never in view of the camera; the video, therefore, is inconclusive with respect to the allegation.

COPA concluded that the allegation of excessive force was not sustained. OIG recommended COPA reopen its investigation to account in its analysis for the fact that the accused officer admitted to pointing his weapon at the complainant. COPA responded that it had "revised its Summary Report to clarify the evidentiary record supporting COPA's finding."

2. Recommendation to Reopen Based on Failure to Address a Potential Rule Violation (#19-1431)

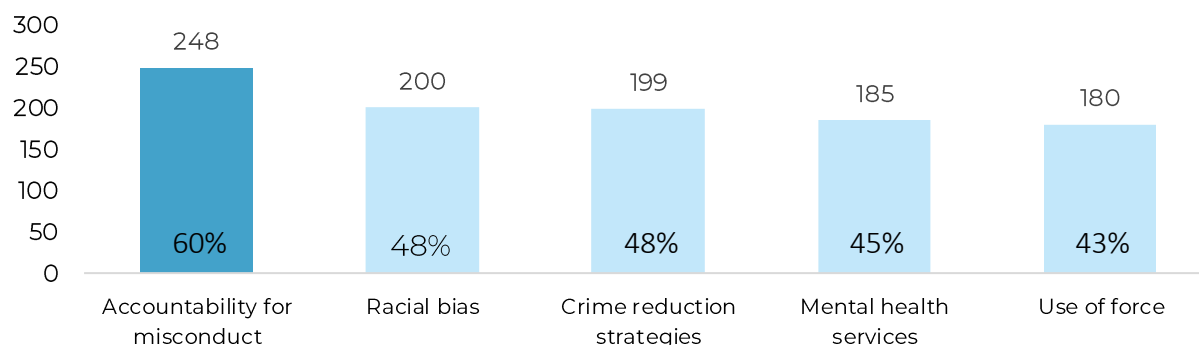
While investigating allegations of an improper traffic stop and search of a vehicle, COPA neglected to address a CPD officer's failure to provide their name and badge number when requested. BWC footage from the stop captures the complainant asking the officer for their name and badge number and the officer responding in an unprofessional manner instead of providing the information. COPA did not address this potential rule violation captured on BWC footage in its final summary report. On OIG's recommendation, COPA has reopened the investigation.

B. COMMUNITY AND CPD MEMBER SURVEYS

The Public Safety section created voluntary and anonymous surveys seeking input from Chicago community members and CPD members, current and former, to inform, prioritize, and generate ideas for projects. The data presented below includes all responses from September 1, 2019, through December 31, 2019, during which time 414 community members and 17 CPD members responded.

1. Community Member Responses

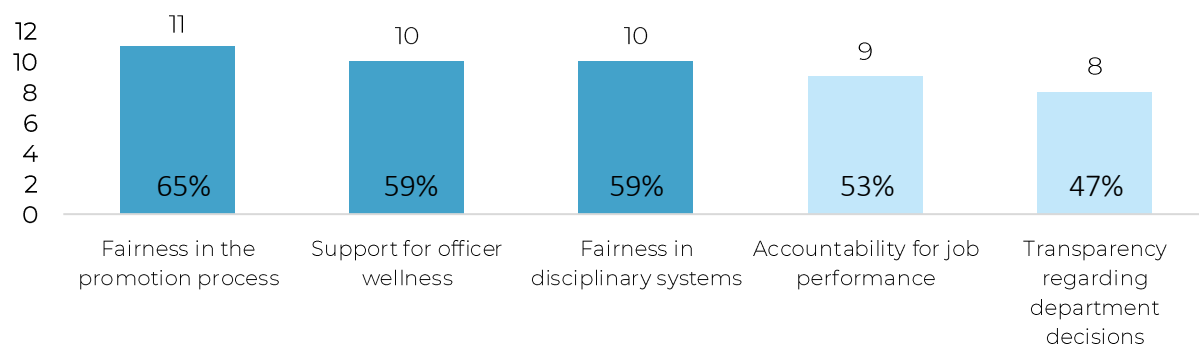
Community members were asked to identify up to five areas (out of 10) which they believed should be top priorities of OIG's PS section. The most frequently identified areas were as follows:

TABLE #13 – WHAT AREAS SHOULD BE TOP PRIORITIES FOR OIG’S PUBLIC SAFETY SECTION IN PROVIDING OVERSIGHT OF CPD?

Of the 248 community members that identified accountability for misconduct, 204 (87 percent) identified ‘appropriate discipline for misconduct’ and 175 (75 percent) identified ‘quality of misconduct investigations’ as specific areas to prioritize. Of the 603 that identified mental health services, 142 (81 percent) identified ‘services for CPD members’ and 129 (73 percent) identified ‘services for subjects of police encounters’ as specific areas to prioritize.²⁶

2. CPD Member Responses

CPD members were asked to identify up to five areas (out of eight) in which they believed CPD management is most in need of improvement. The most frequently identified areas were as follows:

TABLE #14 – WHICH OF THE FOLLOWING ASPECTS OF CPD MANAGEMENT DO YOU THINK ARE MOST IN NEED OF IMPROVEMENT?

Among these areas, CPD members frequently identified ‘support for officer wellness’ and ‘fairness in disciplinary systems,’ which correspond to priority areas identified by community members. However, OIG is working to gather more responses from current CPD members to ensure the survey represents a broad spectrum of perspectives and looks forward to CPD’s cooperation in gathering those responses.

²⁶ This count represents all partial and complete responses. A complete response indicates the respondent reached the final survey page and clicked “done” while a partial response indicates the respondent began the survey but did not finish it. OIG received 318 complete responses and 96 partial responses for a total of 414 responses.

The PS section uses the survey responses from officers and members of the public to identify potential themes and topics to evaluate. Certain topics identified by survey respondents, such as accountability for misconduct and fairness in the disciplinary process, already overlap with the section's obligations pursuant to its enabling legislation and/or the consent decree. Other topics identified by survey respondents, such as officer wellness and fairness in the promotion process, are either currently underway or may be initiated in 2020.

The Public Safety section will continue to collect data via the surveys, and encourages both community and CPD members to participate by visiting our website at www.igchicago.org.