



CITY OF CHICAGO  
OFFICE OF INSPECTOR GENERAL

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# Advisory on Chicago Moves and Reducing Fraud Risk in Emergency Preparations

October 9, 2025

DEBORAH WITZBURG | INSPECTOR GENERAL FOR THE CITY OF CHICAGO



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October 9, 2025

On September 5, 2025, the Office of Inspector General (OIG) notified the Mayor's Office regarding certain risks associated with expediting programs outside of the City's regular procurement process in times of emergency. The notice was specifically in relation to a program launched during the Covid-19 pandemic; OIG sent the notification, however, to aid the City in proactively preparing for future emergency conditions while minimizing the risk of fraud, mismanagement, or misuse of government funds. That letter is attached at Appendix A.

In April 2022, the City launched the Chicago Moves Program (the Program). The Program's stated goal was to alleviate the financial burden on Chicagoans due to the increased cost of goods and services, including fuel costs. The former mayoral administration developed a proposal to quickly provide \$12.5 million in direct assistance for fuel and public transportation costs by distributing prepaid debit cards. The Mayor's Office chose a vendor, Onbe/North Lane, with the assistance of Fifth Third Bank, to administer the Program. The vendor and the Mayor's Office worked on an agreement, which described the prepaid cards as "spend-restricted," meaning that the cards could only be used with merchants defined by the City: gas stations within Chicago city limits and regional transit services, which included CTA, Metra, and Pace. An ordinance, which included the agreement, was presented to City Council. The restricted spend feature of the prepaid debit cards was a critical part of the Program. The ordinance passed. However, within five months of launching the program, a recipient of a card used it outside of the spend restrictions. OIG opened an investigation to determine if misconduct occurred. Although OIG did not make a finding of misconduct, OIG identified waste and inefficiency in the Program.

In summary, the restricted spending feature of the prepaid debit card lacked controls to detect and prevent misuse, which would have been necessary and appropriate for a publicly funded program. OIG found: (1) there was a total of \$202,674 in excess spending over the value loaded on the cards, though the City was not legally responsible for these overage costs and did not pay them; (2) approximately \$94,580 in funds were misspent at retail establishments outside of those designated for the Program; and (3) the agreement incentivized the vendor to retain Program funds from expired cards as a form of payment. Overall, the City did not have proper controls in place to independently detect fraud and

mismanagement. The shortcomings limited the City's ability to carry out its policy objectives and efficiently deliver aid. As a result of these findings, OIG recommended the current Administration evaluate past programs to prepare for future emergency conditions.

In a written response, attached at Appendix B, the Mayor's Office agreed with OIG, stating "it is of the utmost importance that programs designed to meet the needs of Chicagoans are developed and implemented transparently, efficiently, and effectively." The Mayor's Office cited the 2025 Road to Recovery Plan and Performance Report as an example of its commitment to these values. The Mayor's Office asserted that report outlines the current administration's work to ensure the State and Local Recovery Fund (SLFRF) dollars are used appropriately. In evaluating SLFRF-funded programs, the administration stated that it "conducted a comprehensive evaluation of all SLFRF-funded programs to identify areas of risk, measure progress, and inform decisions about future programing." The Mayor's Office also stated that it will "continue to strive to ensure that resources are used to the maximum benefit of those in need through proactive guardrails, strong accountability, and true transparency."

# Appendix A | OIG Letter



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Via Electronic Mail

September 5, 2025

Brandon Johnson  
Mayor of the City of Chicago  
121 N. LaSalle Street, 5th Floor  
Chicago, IL 60602

Dear Mayor Johnson:

The City of Chicago Office of Inspector General (OIG) writes to bring to your attention to concerns regarding risks associated with expediting public policy programs outside of the City's regular procurement process in times of emergency.<sup>1</sup> This notice relates to a program launched during the Covid-19 Pandemic; however, OIG raises these concerns in an effort to aid the City's proactive preparation for future emergency conditions to help minimize fraud and inefficiency.

In April 2022, the City launched the Chicago Moves Program ("the Program"). The Program's stated goal was to "alleviate, in an equitable manner, the burden on City residents of recent increases to the increased cost of goods and services, including without limitation recent steep increases in gas prices."<sup>2</sup>

Mayor Lightfoot's administration developed a proposal to provide \$12.5 million in direct assistance for the costs of fuel and public transportation. The relief was to take the form of prepaid debit and transit cards distributed to low-income Chicago residents in High Mobility Hardship Community Areas.<sup>3</sup> The Comptroller identified \$12.5 million in City funds for reallocation towards this purpose. The Mayor's Office chose a vendor, Onbe/North Lane, with the assistance of Fifth Third Bank, to administer the Program. In a March 31, 2022 press release the City announced the Program, which was described as a means to more quickly and strategically distribute City funds directly to City residents.<sup>4</sup>

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<sup>1</sup> MCC 2-56-110(a)(b) authorizes the Inspector General to issue a public statement if an investigation, audit, or review concerns inefficient or wasteful management. As such, OIG intends to publish this letter as transmitted.

<sup>2</sup> City of Chicago Ordinance, O2022-949, Meeting date: April 20, 2022, titled "Amendment of Year 2022 Annual Appropriation Ordinance for transportation assistance program aimed at distributing prepaid gas cards to high mobility hardship community areas."

<sup>3</sup> Factors contributing to a high mobility hardship index were intended to include travel time to work, income spent on transportation, and number of residents with a disability.

<sup>4</sup> City of Chicago Office of the Mayor, Press Release, "Mayor Lightfoot Announces \$12.5 Million In Transportation Cost Relief: Chicago Moves will provide financial assistance for transportation expenses for 150,000 Chicagoans through \$150 physical prepaid gas cards for up to 50,000 drivers and \$50 prepaid transit cards for up to 100,000 riders," March 31, 2022, accessed January 24, 2025.

[https://www.chicago.gov/city/en/depts/mayor/press\\_room/press\\_releases/2022/march/TransportationCostRelief.html](https://www.chicago.gov/city/en/depts/mayor/press_room/press_releases/2022/march/TransportationCostRelief.html).

On April 6, 2022, ordinance O2022-949 was introduced to the Committee on Budget and Government Operations during a subject matter hearing, not subject to vote. The ordinance described the Program and included the proposed Agreement between the City and Onbe/North Lane. Before and after the hearing, Alderpersons were briefed on the Program.

On April 20, 2022, the ordinance was returned as a direct introduction to the Committee on Budget and Government Operations with amendments based on Council feedback, including a reduction in the eligible income threshold from 140% of the area median income to 100%. The ordinance passed in committee.

On April 27, 2022, the ordinance passed a vote of the full City Council. Exhibit B to the ordinance included the Agreement between the City and the vendor. After the ordinance passed, then-Budget Director Susie Park and the Chief Revenue Officer for North Lane signed the Agreement.

The Agreement described the prepaid cards as “spend-restricted,” meaning that the cards could only be used with merchants defined by the City: gas stations within Chicago city limits and regional transit services, which included CTA, Metra, and Pace.<sup>5</sup> The restriction was to be controlled by Onbe/North Lane using Merchant Category Codes (MCCs), or unique identifiers associated with businesses and detected by the prepaid cards. Fifth Third Bank issued the non-reloadable pre-paid cards to the eligible individuals identified by the City. For each transaction, a payment card would communicate with a business’s point-of-sale system, as well as the card’s network, to ensure that an attempted purchase was permissible. The Agreement explicitly addressed the restriction, stating, “Prepaid Cards will be spend-restricted based on MCC filtering (e.g., useable only for buying gasoline at gas stations located within the limits of the City of Chicago), as agreed upon by [the City] and North Lane.”

However, within five months of the Program’s launch, in late September 2022, a recipient of a prepaid card used the card—outside of the spend restriction—at a grocery store, overcharging it by over \$50. OIG opened an investigation to determine whether misconduct had occurred related to the use of cards issued in the Program for other than their intended and sanctioned purpose. Ultimately, OIG did not make a finding of misconduct. However, the investigation identified waste and inefficiency in the Chicago Moves Program. These deficiencies were significant enough to bring to your attention, particularly so that these issues could be avoided in future programs designed to get much-needed assistance to Chicagoans in emergency conditions.

The Chicago Moves Program was meant to deliver public benefits as quickly as possible, due to the pandemic’s impact on low-income families, coupled with rising inflation. The Program was implemented with the goal to provide equitable relief to those in high-hardship communities.

The restricted spending feature of the prepaid debit cards was a critical part of the Program and the Agreement. The press release issued by Mayor Lightfoot’s office sheds light on how Onbe/North Lane was chosen for the Program. Onbe/North Lane was described a “market-leading corporate disbursements fintech,” capable of delivering funds quickly.<sup>6</sup> The Mayor’s Office relied on the spend restriction feature in communicating with City Council about the Program. The City’s then-

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<sup>5</sup> Section 5(b) of the Ordinance states that transit funds should be provided on a Ventra Transit Rider Card or on a “debit card loaded with \$50 which can only be used to pay for public transit.”

<sup>6</sup> Office of the Mayor, March 31, 2022, Press Release.



Comptroller, Chief Financial Officer, and Director of the Office of Budget & Management appeared before City Council and responded to questions from Alderpersons based on the premise that the use of disbursed funds would be restricted to gas and transit expenses. The restricted spending language was included in the text of the approved Ordinance. However, OIG found that this feature lacked controls to detect and prevent misuse which would have been necessary and appropriate for a publicly funded program. A review of: (1) the overage costs on the prepaid cards, (2) the funds misspent outside of the intended purpose of the Program, and (3) vendor payment reveals shortcomings in implementing the Program.

## 1 | Overage Costs

OIG obtained several data extracts from the Department of Finance (DOF) which captured prepaid card usage from May 2022 to August 2023. From these reports, OIG determined the following:

- Of 49,734 distinct prepaid gas card accounts, 8,522 had a negative balance totaling \$201,643.
- Of the 60,622 distinct prepaid transit card accounts, 31 had a negative balance totaling \$1,031.

In total, there was \$202,674 in excess spending over the value loaded onto the cards.

OIG discerned through its investigation the City was not required to pay—and did not pay—the \$202,674 in overages. However, the substantial sum of overage costs underscores broader systematic concerns. The overage costs were not expressly addressed in the Agreement governing the Program. During the Program, when an overage cost was identified, emails from October of 2022 between the City and Onbe/North Lane document the City's confusion and concern as to how the overage costs occurred, and who would be responsible for them. This discourse took place after the City had already put forth millions of dollars toward the Program. At the time, the City was reassured that the City was not responsible for the overage costs. However, the lack of clarity about the issue, and the continued occurrence of overage costs during the Program's pendency demonstrate that the City had not thoroughly assessed this potential risk and liability before investing a significant sum of money into the Program.

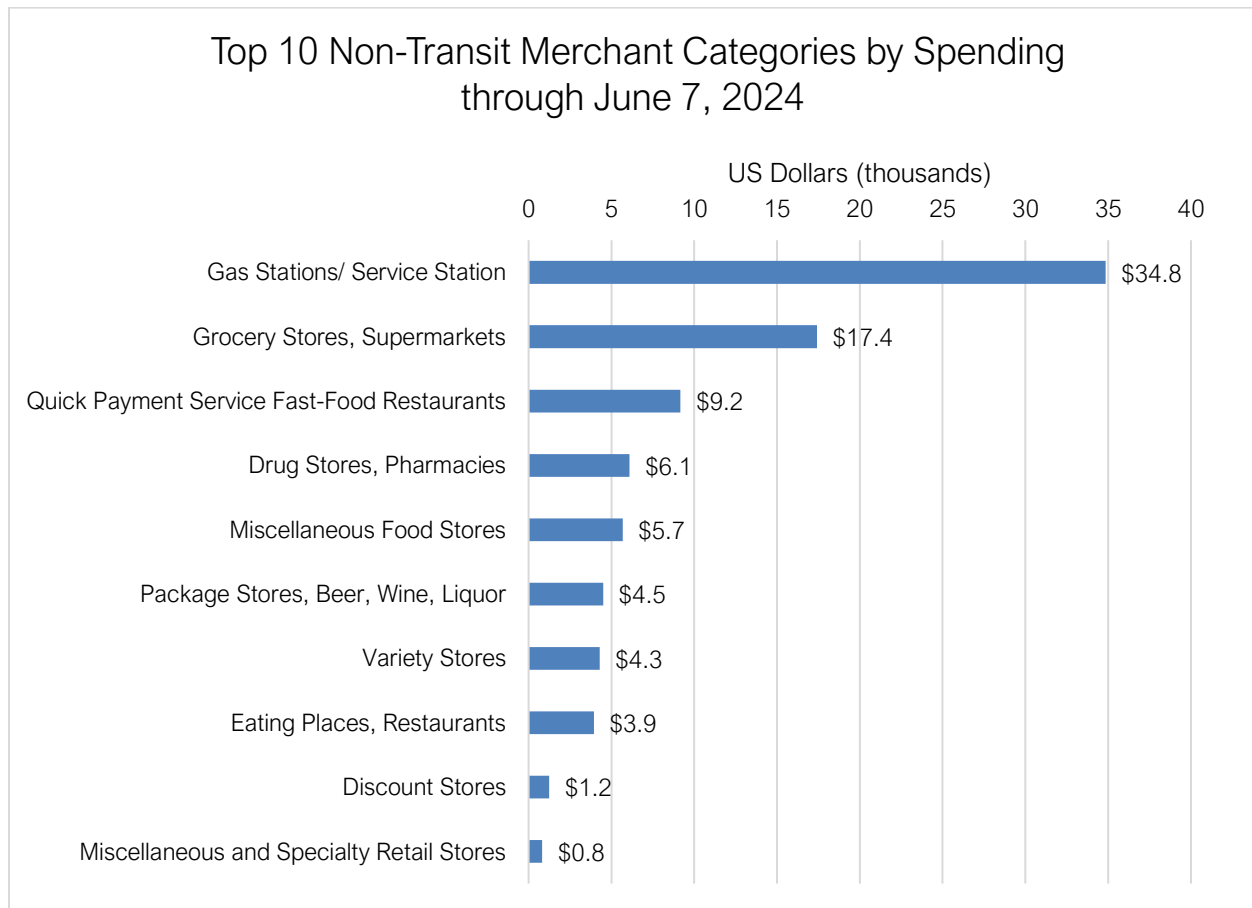
## 2 | Misspent Funds

The City did not have controls in place to prevent or detect misspending of funds. OIG discerned through its investigation that the City was unaware of misspent funds throughout the duration of the Program. OIG obtained data from the vendor, Onbe/North Lane, showing that the prepaid cards had been used for purchases beyond the restricted Merchant Code Categories (MCC). While gas card expenditures largely conformed to the requirements, transit card transactions showed more noncompliance. OIG found:

- Of \$6,947,755 in gas card funds spent across all merchants, only \$304 was spent on non-fuel purchases including purchases with grocery stores, Uber, Cash App, car wash locations, and gas station/service stations.

- Of \$1,698,744 in transit card funds spent across all merchants, \$94,276 (approximately 5.5%) was spent with merchants that the Agreement did not identify as being transit.<sup>7</sup>

A summary of the top 10 non-transit merchant categories is illustrated below:



Source: Transit card payment data provided by Onbe/North Lane

Impermissible transactions cleared with various merchants including Ross Clothing Store, Garrett Popcorn Shops, Zara, Victoria's Secret, McDonalds, Barnes and Noble, Apple.com, liquor stores, cosmetic stores, and others. One transaction is a payment of \$22.80 for a City of Chicago parking ticket. The lack of controls to prevent non-transit purchases allowed for government funds to be spent on items that did not serve the Program's purpose of providing equitable transportation relief.

### 3 | Vendor Payment

Although Onbe/North Lane did not request payment upfront for its services, the City agreed to pay the vendor any unspent funds loaded onto the prepaid cards. This arrangement was part of the Agreement, which provided that Fifth Third would disburse to Onbe/North Lane any unused funds

<sup>7</sup> The Ordinance defines "Prepaid Transit Card" as "(i) a debit card loaded with \$50 and which can only be used to pay for public transit; or (ii) a \$50 value Ventra Transit Rider Card," and "Ventra Transit Rider Card" as "an electronic fare payment card used to effect payments for transportation by CTA buses and trains and the Regional Transportation Authority's suburban buses and trains."

remaining on any Prepaid Card at the end of the expiration period. The expiration period was defined in the Agreement; the expiration date for each card varied based on when the card was issued. The Agreement specifically states, "For the avoidance of doubt, any such unused funds shall be returned to North Lane and Company [City] shall have no right to any such funds."

OIG has determined that from the \$12.5 million initially appropriated, the City paid Onbe/North Lane \$11.2 million to be loaded onto the cards. According to information Onbe/North Lane provided to OIG, gas and transit card recipients had spent \$8.6 million of these funds as of June 7, 2024 (over two years after the Program launched). To date, the City has not reported whether the \$2.6 million (approximately 23%) remaining on the cards was spent by Chicagoans or retained by the vendor. Moreover, the payment structure incentivized Onbe/North Lane to retain the Program funds from the expired cards, which raises the possibility that Onbe/North Lane received up to \$2.6 million dollars to administer the Program. Overall, the terms of the Agreement and the lack of outcomes reported by the City undermine the ability of policymakers and the public to evaluate the Program. Specifically, how much of the money intended to assist low-income Chicagoans, was in fact retained by the vendor upon the cards' expiration.<sup>8</sup>

#### 4 | Summary

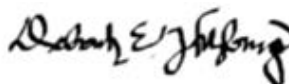
In summary, the City did not have proper controls in place to independently detect spending above the threshold and flag funds and merchant locations where money was spent outside of the intended use. These shortcomings limited the City's ability to carry out its policy objectives and efficiently deliver aid to its intended beneficiaries.

#### 5 | Recommendation

The City should evaluate past programs implemented in emergency circumstances to proactively prepare for future emergency conditions. This evaluation will help the City better prepare to minimize the risk of fraud and ensure appropriate protections in the event of fraudulent conduct, mismanagement, or misuse of government funds. Finally, OIG recommends that the City report on the outcomes of such programs to provide transparency and ensure that such programs achieve their goals.

OIG invites the Mayor's Office to respond in writing before October 6, 2025. Any such response will be made public with this advisory.

Respectfully,



Deborah Witzburg  
Inspector General  
City of Chicago

cc: Cristina Pacione-Zayas, Chief of Staff, Mayor's Office  
Jessica Higgins, Assistant Deputy Mayor, Mayor's Office

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<sup>8</sup> This figure reflects a data extract containing transactions through June 7, 2024.



Nathaniel Wackman, General Counsel, OIG

# Appendix B | Department Response



CITY OF CHICAGO • OFFICE OF THE MAYOR



**MAYOR BRANDON JOHNSON**

October 6, 2025

Deborah Witzburg  
Inspector General  
City of Chicago Office of the Inspector General  
231 South LaSalle Street, 12<sup>th</sup> Floor  
Chicago, Illinois 60604

Re: C2023-000000053 Chicago Moves Advisory

Dear Inspector General Witzburg:

I write on behalf of the Mayor in response to the above-captioned Advisory. We appreciate the work of your office to bring to our attention concerns with the 2022 Chicago Moves Program. While this Program was designed and implemented by a prior administration, we understand the value of institutional knowledge and the importance of evaluating past programs to inform the design of current and future programs.

It is of the utmost importance that programs designed to meet the needs of Chicagoans are developed and implemented transparently, efficiently, and effectively. Our dedication to this principal is demonstrated and discussed in detail in the [2025 Road to Recovery Plan and Performance Report](#), outlining this Administration's work to ensure that State and Local Recovery Fund (SLFRF) dollars would be fully utilized and directed toward communities most in need to drive long-term change. The City revised earlier spending plans and conducted a comprehensive evaluation of all SLFRF-funded programs to identify areas of risk, measure progress, and inform decisions about future programming. Much of this work is visible on the [Road to Recovery Impact Dashboard](#). For SLFRF and across the enterprise, the information gathered through program reviews and audits informs program design and controls on an ongoing basis. The City will continue to strive to ensure that resources are used to the maximum benefit of those in need through proactive guardrails, strong accountability, and true transparency.

Thank you for your office's continued work towards these same goals.

Sincerely,

Cristina Pacione-Zayas  
Chief of Staff



The City of Chicago Office of Inspector General is an independent, nonpartisan oversight agency whose mission is to promote economy, efficiency, effectiveness, and integrity in the administration of programs and operations of City government.

OIG's authority to produce reports of its findings and recommendations is established in the City of Chicago Municipal Code §§ 2-56-030(d), -035(c), -110, -230, and -240.

For further information about this report, please contact the City of Chicago Office of Inspector General, 231 S. LaSalle Street, 12th Floor, Chicago, IL 60604, or visit our website at [igchicago.org](https://igchicago.org).

#### **Talk to Us**

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