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CITY OF CHICAGO  
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# USE OF LITIGATION DATA IN RISK MANAGEMENT STRATEGIES FOR THE CHICAGO POLICE DEPARTMENT

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# I | Executive Summary

The Office of Inspector General's (OIG) Public Safety section has completed an inquiry regarding the Department of Law (DOL) and the Chicago Police Department's (CPD) collection of data related to lawsuits involving CPD and its members. This inquiry was conducted pursuant to Municipal Code of Chicago (MCC) § 2-56-230(e), which includes among the Public Safety section's powers and duties to "review, audit and analyze civil judgments and settlements of claims against members of the Police Department, and to issue recommendations based on its findings to inform and improve or correct deficiencies in the conduct, or operation of the Police Department." OIG reviewed requests made by DOL to the Office of the Comptroller for the payment of settlements and judgments of CPD-involved cases from January 1, 2017 through December 31, 2020.<sup>1</sup> Based on this review, OIG calculates that the City spent over \$250 million on judgments and settlements during the period of analysis. Through its analysis, OIG has identified shortcomings related to the collection and management of litigation data involving CPD. These shortcomings limit the City's ability to understand areas of litigation risk to the City and to implement responsive improvements to CPD's operations and policies. In conducting its inquiry, OIG interviewed personnel from the Office of Risk Management, DOL, and CPD, and reviewed data from DOL. OIG was unable to conduct an in-depth analysis of data from individual lawsuits because of limitations in the quality and quantity of data collected by DOL.<sup>2</sup>

Subject matter experts recommend law enforcement agencies implement risk programs to identify and mitigate risk areas, and many police departments in large jurisdictions use such programs.<sup>3</sup> The collection and analysis of litigation data is a critical component of such risk management programs. Litigation data should be used to analyze trends, inform early intervention systems and specific administrative investigations, and help identify gaps in administrative investigation processes. However, CPD is poorly positioned to perform these functions due to the City's current litigation data collection and management practices.

Specifically, OIG identified two areas where the City's current practices limit its ability to perform these functions: (1) DOL does not collect litigation data at a sufficient level of detail and (2) DOL is unable to merge its litigation data with CPD's related data (e.g., use of force reports and arrest reports) to expand potential avenues of analysis. As a result, the City of Chicago is failing to capitalize on opportunities to manage risks arising from CPD's operations.

To meet best practices, OIG makes four recommendations. First, DOL, the City's Office of Risk Management, and CPD's Risk Management Unit should better coordinate to align goals and procedures to determine how to best collect litigation data, including to identify an effective means of merging DOL data with CPD data. Second, these agencies should coordinate to implement industry best practices as they determine what data should be collected. Third, DOL should develop policies, procedures, and training to inform and regulate the collection of litigation data across its divisions and staff. Such a policy should require the collection of data necessary to meet

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<sup>1</sup> OIG did not independently verify the underlying data in DOL's system.

<sup>2</sup> "Litigation data," as used herein, refers to points of information about filed lawsuits, such as the date of filing, party names, dispositions, etc. Best practices regarding the specific data points about filed lawsuits are discussed below in the Analysis section.

<sup>3</sup> Other jurisdictions that OIG examined and/or interviewed include the New York Police Department, Seattle Police Department, and Los Angeles Police Department. OIG also spoke to subject matter experts with relevant experience and research in the risk management and policing fields.

the goals of CPD and the City's risk management programs, and also include mechanisms to ensure that DOL personnel are complying with the policy. Lastly, as DOL works to upgrade its case management system, it should coordinate with the Office of Risk Management and CPD's Risk Management Unit to ensure that each entity's information systems, data collection, and analysis tools are compatible.

## II | Background

CPD is the City's largest department in terms of personnel and budget, and lawsuits that lead to payouts related to CPD and its members account for 65% of payouts by the City between 2017 and 2020. Figure 1 below details the ten most frequent primary claims—identified in DOL's data as “primary causes”—of lawsuits filed against CPD that led to payouts from 2017 to 2020.<sup>4</sup>

Figure 1: Most Frequent Primary Causes for CPD Lawsuits That Led to Payouts From 2017 to 2020

Primary Cause Category <sup>5</sup>	Number of Lawsuits <sup>6</sup>	Total Payouts by Primary Cause	Average Payout by Primary Cause	Largest Payout by Primary Cause
Excessive Force	204	\$76,000,548.18	\$372,551.71	\$16,000,000.00
False Arrest	167	\$10,568,985.43	\$63,287.34	\$721,672.15
Motor Vehicle Accident	94	\$5,790,660.00	\$61,602.77	\$2,200,000.00
Illegal Search and Seizure	85	\$7,210,489.11	\$84,829.28	\$1,000,000.00
FOIA-Related	84	\$1,097,792.88	\$13,068.96	\$121,950.27
Property Damage	79	\$304,742.10	\$3,857.49	\$18,000.00
Extended Detention and Malicious Prosecution	45	\$8,938,604.16	\$198,635.65	\$3,500,000.00
Reversed Conviction	19	\$72,250,000.00	\$3,802,631.58	\$18,750,000.00
Pursuit-Related	17	\$42,602,000.00	\$2,506,000.00	\$19,250,000.00
Failure to Provide Medical Care	12	\$2,417,978.23	\$201,498.19	\$1,000,000.00

Source: OIG analysis.

<sup>4</sup> “Primary cause” is a category assigned to each suit by DOL to reflect the substance of the alleged claims including, for example, excessive uses of force by CPD members or illegal searches and seizures.

<sup>5</sup> OIG identified primary causes which were very similar to each other and therefore complicated this analysis. For example, motor vehicle accidents, or “MVA,” is often listed as the main category under primary cause with an associated subcategory (e.g., “MVA/city vehicle” or “MVA/emergency police”). However, there were also instances where “MVA” was listed as a subcategory of a main category (e.g., “property damage/MVA”). In other instances, categories that may have been related to motor vehicle accidents were categorized with a different primary cause (e.g., pursuit related). For purposes of this analysis, OIG deviated from DOL’s assignments of primary cause categories in two ways: first, OIG unified subcategories of causes under their main category (e.g., “Excessive Force/Minor” and “Excessive Force/Serious to “Excessive Force”) and, second, OIG aligned similar categories (e.g., “ILLEGALSEARCH&SEIZURE” and “ILLEGALSEARCH/SEIZURE”) under a single title.

<sup>6</sup> Due to DOL’s data collection practices, this column only counts the number of times each of the causes was the primary cause. This means that if a lawsuit contained multiple causes, non-primary causes would not be counted within this table. OIG could not identify non-primary causes within DOL’s data.

Claims are another avenue by which CPD incurs financial costs for the City. The claim process allows individuals to recoup damages caused by CPD or its members—outside of formal litigation—through a process administered by the City. The City accepts three types of claims: claims from motor vehicle accidents involving injury or property damage, general liability claims involving property damage, and general liability claims involving personal injury. From 2017 through 2020, DOL requested payments from the Office of the Comptroller for 301 claims for liabilities involving CPD that totaled over \$1 million (see Figure 2 below).

Figure 2: Primary Causes for CPD Claims That Led to Payouts From 2017 to 2020

Primary Cause Category	Number of Claims	Total Payouts by Category	Average Payouts by Category	Max Payout by Category
Motor Vehicle Accident	238	\$877,779.90	\$3,688.15	\$33,473.26
Property Damage	44	\$103,027.89	\$2,341.54	\$9,364.54
Police Practice	11	\$14,866.64	\$1,351.51	\$4,500.00
Pursuit-Related	4	\$8,996.00	\$2,249.00	\$6,355.52
Personal Injury	2	\$25,352.04	\$12,676.02	\$25,000.00
Excessive Force	1	\$45,000.00	\$45,000.00	\$45,000.00
Bicycle Accident	1	\$1,499.32	\$1,499.32	\$1,499.32

Source: OIG analysis.

## A | Risk Management Best Practices

Risk management is a process by which an agency may identify and manage risks (i.e., exposures to danger, harm, or loss).<sup>7</sup> For a law enforcement agency, categories of risks include injury or harm to the public by an agency member, injury or harm to an agency member, and injury or harm to public trust.<sup>8</sup>

According to the Government Finance Officers Association, there are five components of an effective risk management program.<sup>9</sup>

1. **Risk Identification:** to understand where risks are created.
2. **Risk Evaluation:** to evaluate risk areas by understanding the frequency and severity of claims.

<sup>7</sup> Carol Archbold, "Police Accountability, Risk Management, and Legal Advising," LFB Scholarly Publishing, April 1, 2004, 40.

<sup>8</sup> Colleen K. Copple and James E. Copple, "Risk Management in Law Enforcement: Discussions on Identifying and Mitigating Risk for Officers, Departments, and the Public," Office of Community Oriented Policing Services, 2018, <https://cops.usdoj.gov/RIC/Publications/cops-w0865-pub.pdf>

<sup>9</sup> Government Finance Officers Association, "Enterprise Risk Management," accessed February 25, 2021, <https://www.gfoa.org/materials/enterprise-risk-management>

3. **Risk Treatment:** to develop a well-rounded program to resolve risk areas by a combination of preventive and control measures.
4. **Risk Management Implementation:** to implement risk management policies and procedures.
5. **Risk Program Review:** to review the effectiveness and efficiency of the risk management program and to make modifications as necessary.

In the context of policing, subject matter experts—including the International Association of Chiefs of Police—recommend that law enforcement agencies implement comprehensive risk management strategies.<sup>10</sup> Across the country, a number of large law enforcement agencies have implemented such strategies, including the New York Police Department, Los Angeles Police Department, Los Angeles County Sheriff's Department (LASD), and Seattle Police Department.<sup>11</sup>

To help identify and evaluate risks, law enforcement agencies should draw upon various sources of information including litigation data, use of force reporting, and misconduct allegations to identify risks in a manner which allows for synthesis across data sources. For example, to understand risks posed by the use of force, law enforcement agencies may be well served by contextualizing litigation data related to excessive force claims with separate, related data, such as internal use-of-force reporting or misconduct complaints arising from use-of-force incidents. To enable this synthesis, agencies should have data systems capable of matching lawsuit records to agency records of the underlying incident. The capacity to do so permits agencies to better understand sources of risk and potential remedial actions in greater depth than can be accomplished by the review of information from a single source—such as litigation data—alone.<sup>12</sup>

With respect to litigation data specifically, law enforcement agencies should have access to data which allows them to identify risk areas. Such data may inform misconduct investigations by identifying potential sources of evidence and aiding in the identification of process failures. Access to robust litigation data further enables law enforcement agencies to analyze trends and inform systems for the early detection of and intervention for at-risk members.<sup>13</sup>

Having identified risk areas, law enforcement agencies may address them by improving policies, procedures, and trainings. For example, LASD's Special Counsel conducts reviews of trends in settlements and judgments related to that department and its members; in one of its reviews, the Special Counsel found that approximately 70% of litigation raising claims of police misconduct arose out of 2 of LASD's 23 stations. This finding led the Special Counsel to conduct a review of activity at these stations and to recommend operational changes including the assignment of fewer

<sup>10</sup> Carol Archbold, "Police Accountability, Risk Management, and Legal Advising", International Association of Chiefs of Police, "Response to Civil Litigation," October 1996, accessed April 11, 2022, <https://www.theiacp.org/sites/default/files/2018-08/CivilLitigationPaper.pdf>, Los Angeles Sheriff's Department, "34<sup>th</sup> Semiannual Report of Special Counsel," August 2014, accessed April 25, 2022, 30, <https://assets-us-01.kc-usercontent.com/0234f496-d2b7-00b6-17a4-b43e949b70a2/08bb18bc-5cbd-46f2-96f5-fb588f1e4079/34th%20Semiannual%20Report.pdf>.

<sup>11</sup> Los Angeles Sheriff's Department, "34<sup>th</sup> Semiannual Report of Special Counsel "

<sup>12</sup> International Association of Chiefs of Police, "Response to Civil Litigation."

<sup>13</sup> An early intervention system is a personnel management tool designed to "facilitate early identification of officers at elevated risk of being involved in certain types of events so that the officers can receive tailored interventions intended to reduce such risk." Consent Decree ¶ 586, *State of Illinois v. City of Chicago*, No. 17-cv-6260 (N.D. Ill. Jan. 31, 2019) (ECF No. 703-1)



junior officers to those stations, a lower supervisor-to-subordinate ratio, and increased staff diversity.<sup>14</sup>

In reviewing relevant best practices, OIG consulted with subject matter experts including industry consultants and academics, and with large law enforcement agencies including the Los Angeles Police Department and the Seattle Police Department. OIG's review suggests that the following types of litigation data should be collected and analyzed to effectively inform a law enforcement agency's risk management strategies:<sup>15</sup>

- Involved members' information including:
  - Identity (e.g., names or identifying numbers)
  - Rank
  - Unit of assignment
  - Years of service
  - Supervisors
- All involved units
- Incident data
  - Date of incident
  - Time of incident
  - Location of incident
  - A mechanism by which litigation data may be merged with or connected to other information sources (e.g., incident identification number such as a Records Division number).
- Costs of litigation, including attorneys' fees
- Case disposition
- Detailed summary of the complaint, including all allegations

The collection of such data points may allow law enforcement agencies to identify trends and risk areas at a detailed level. Appropriately, detailed data collection enables the accurate identification of risks and tailoring of corrective actions. For example, Portland, Oregon, reviewed lawsuits and identified several cases involving excessive force claims from blows to the head that arose out of one specific police station. This analysis allowed Portland to target remedial solutions for that station, including the retraining and closer supervision of its members.<sup>16</sup>

## B | Agencies Involved in Risk Management for CPD

Several City entities, each with their own data systems, have roles in CPD's risk management efforts, as relevant to the collection of litigation data. Specifically, OIG identified CPD, DOL, and the City's Office of Risk Management as bearing relevant responsibilities.

### 1 | Chicago Police Department

<sup>14</sup> Joanna C. Schwartz, "What Police Learn From Lawsuits," *Cardozo Law Review*, 2012, accessed April 19, 2022, 854-855

<sup>15</sup> Joanna C. Schwartz, "What Police Learn From Lawsuits," 853; Los Angeles County Sheriff's Department, "34<sup>th</sup> Semiannual Report of Special Counsel"; International Association of Chiefs of Police, "Response to Civil Litigation."

<sup>16</sup> Joanna C. Schwartz, "What Police Learn From Lawsuits," 853-854

In December 2018, CPD created an internal Risk Management Unit and hired its first Risk Manager, charged with identifying risk areas and helping reduce potential harm. The Risk Management Unit is currently organized under the Office of the Superintendent and is staffed with four CPD members, including the Risk Manager, an Analyst, a Sergeant, and a Police Officer.<sup>17</sup> This unit has worked closely with the City's Office of Risk Management and DOL to identify where areas of greatest risk and harm—including financial and reputational harm—are being created, such as search warrant service, vehicle pursuits, and uses of force related to foot pursuits.

## 2 | Office of Risk Management

On June 28, 2019, Mayor Lori E. Lightfoot announced the creation of the Office of Risk Management for the City of Chicago and the appointment of the City of Chicago's first Chief Risk Officer, charged with implementing a comprehensive risk management strategy throughout City government.<sup>18</sup> According to the Mayor, it was "imperative for the City of Chicago to have a rigorous and robust risk management office to identify and mitigate potential threats to the economic viability of our city."<sup>19</sup> The Chief Risk Officer's responsibilities include mitigating the costs of claims, judgments, and liabilities to the City and coordinating with City departments to implement initiatives to "counter, lessen, or remove risk from city policies, programs, and operations." The announcement of the creation of this position also highlighted that the Office of Risk Management would focus on lawsuits concerning police practices "which cost the City tens of millions of dollars a year."<sup>20</sup> The City's first Chief Risk Officer resigned on November 6, 2020; Mayor Lightfoot announced the appointment of the next Chief Risk Officer on August 17, 2022.<sup>21</sup>

## 3 | Department of Law

DOL is responsible for providing legal counsel to and representing City departments and personnel when they are sued, including CPD and its members.<sup>22</sup> DOL is comprised of divisions responsible

<sup>17</sup> Originally, CPD's Risk Management Unit was organized under the Office of Legal Affairs before being moved to the Office of Reform Management, and most recently to the Office of the Superintendent. According to the Risk Manager, the current organizational situation of the Risk Management Unit provides better access to Department leadership.

<sup>18</sup> According to City personnel records, the Chief Risk Officer was hired on July 29, 2019. In 2016, OIG's Audit and Program Review Section published an advisory related to Citywide claims analysis and risk management. At that time, OIG found that risk management within the City was fragmented across many agencies and that the City lacked complete and accurate claims data with which to conduct a comprehensive analysis. Furthermore, OIG attempted to complete an analysis of non-police related claims but was unable to do so due to data quality issues. Ultimately, OIG recommended that the City implement a comprehensive risk management program including: appointing a Chief Risk Officer, investing in its capacity to collect and retain data, and publicly reporting the relevant data. In response, then-Mayor Rahm Emanuel agreed to the potential benefits of centralizing the City's risk management functions but did not agree to creating a dedicated position. Emanuel's office did, however, agree to establish a working group comprised of various agencies to oversee the risk management function of the City and improve the availability and quality of data related to lawsuits. City of Chicago Office of Inspector General, "OIG Advisory Concerning Claims Analysis and Risk Management," June 30, 2016. <https://icgchicago.org/2016/06/30/oig-advisory-concerning-claims-analysis-and-risk-management-advisory/>.

<sup>19</sup> City of Chicago Office of the Mayor, "Mayor Lightfoot Announces Tamika Burgos Puckett As Chief Risk Officer," June 28, 2019, accessed February 24, 2021, <https://www.chicago.gov/content/dam/city/depts/mayor/Press%20Room/Press%20Releases/2019/June/CROReleaseFinal.pdf>.

<sup>20</sup> City of Chicago Office of the Mayor, "Mayor Lightfoot Announces Tamika Burgos Puckett As Chief Risk Officer."

<sup>21</sup> City of Chicago Office of the Mayor, "Mayor Lightfoot Announces Stephen Skardon to Serve as Chief Risk Officer," August 17, 2022, accessed August 22, 2022, [https://www.chicago.gov/city/en/depts/mayor/press\\_room/press\\_releases/2022/august/StephenSkardonChiefRiskOfficer.html](https://www.chicago.gov/city/en/depts/mayor/press_room/press_releases/2022/august/StephenSkardonChiefRiskOfficer.html).

<sup>22</sup> City of Chicago, Municipal Code, § 2-60-020

for the different types of claims plaintiffs may bring against the City. The following are the divisions most relevant to lawsuits filed against CPD and its members:

- a. **Federal Civil Rights Litigation (FCRL):** This division defends the City against lawsuits filed under federal statute 42 U.S.C. § 1983, which enables plaintiffs to make claims against state and local governments for violations of civil rights such as excessive force, illegal searches, and false arrests. FCRL has an Individual Defense Section to defend individual CPD members and a City Defense Section to defend the City against such claims.<sup>23</sup>
- b. **Torts:** This division defends the City against claims alleging civil wrongs that have resulted in harm, loss, or damage, which may include common law police misconduct, personal injury and wrongful death resulting from negligence, and property damage.<sup>24</sup>
- c. **Constitutional and Commercial:** This division represents the City in both federal and state court specializing in cases arising from constitutional challenges to the City's ordinances and actions, such as due process and equal protection claims.
- d. **Legal Information and Prosecutions:** This division is responsible for defending against alleged violations of the Freedom of Information Act (FOIA), in addition to providing advice to City departments on public records retention and responding to FOIA requests.<sup>25</sup>

In addition to the costs of counsel and representation, lawsuits may come to various outcomes which create a financial burden to the City. When a lawsuit is filed, the parties—the plaintiff, the City, and City employees—may negotiate a settlement ending the lawsuit that includes a payout from the City. If there is no settlement and a case goes to trial, a judge or jury may decide in favor of or against the City or its employees; a judgment or verdict in favor of a plaintiff could require the City to pay damages.

## C | Collection and Use of Litigation Data in CPD's Risk Management

OIG identified four systems used by DOL to track lawsuits and collect related data:

1. For management of civil lawsuits against CPD, DOL uses a case management system called TeamConnect. DOL personnel are required to input lawsuit information into TeamConnect when a complaint is first received, during litigation, and when a case is disposed. This system is intended to allow DOL to track litigation throughout the life of a case.

<sup>23</sup> In its October 2021 budget hearing, DOL reported to City Council that there are 28 attorney positions in FCRL, 13 of which are vacant. Alex Nitkin, "Hike Pay for City Lawyers to Head Off Staff Shortages, Corporation Counsel Tells Aldermen," *The Daily Line*, October 11, 2021, <https://www.thedailyline.com/hike-pay-for-city-lawyers-to-head-off-staff-shortages-corporation-counsel-tells-aldermen>.

<sup>24</sup> Common Law is law that is created by judicial precedent, or judicial decisions, instead of statutes. City of Chicago Department of Law, "Torts," accessed February 25, 2021, [https://www.chicago.gov/city/en/depts/dol/supp\\_info/torts.html](https://www.chicago.gov/city/en/depts/dol/supp_info/torts.html)

<sup>25</sup> City of Chicago Department of Law, "Legal Data And Prosecutions," accessed January 28, 2020, [https://www.chicago.gov/city/en/depts/dol/supp\\_info/prosecutions\\_-\\_municipalprosecutions.html](https://www.chicago.gov/city/en/depts/dol/supp_info/prosecutions_-_municipalprosecutions.html)

2. DOL contracts outside counsel, i.e., private attorneys not employed by the City, to represent the City in some cases.<sup>26</sup> Retention and billing data related to these cases is kept in a system called Counsellink, separate from TeamConnect.<sup>27</sup>
3. To track payment requests from DOL to the Office of the Comptroller, DOL's administrative team uses a Microsoft Excel spreadsheet, separate from any database, and inputs payment request amounts along with other basic information about each case for which a payment from the City is required to satisfy either a settlement or a judgment.
4. To comply with requirements of the consent decree entered in *Illinois v. Chicago* (the "consent decree"),<sup>28</sup> as discussed in greater detail below, DOL created an additional repository of litigation data using Microsoft Forms. When a case is disposed, the DOL attorney on the case is required to complete a form with basic information about the case. Several DOL divisions began using this form for cases disposed of in 2019.<sup>29</sup>

Across several of these systems, there are redundancies in the information that is collected. For example, the TeamConnect and Microsoft Forms data overlap with respect to information captured, but due to limitations in the TeamConnect system and how DOL uses that system, the data stored in Microsoft Forms is collected in a separate process and entered separately. Such redundancies present the risk that data may be entered inconsistently across systems, which may compromise efforts at meaningful analysis. Further, the need to enter the same or similar pieces of information into different systems gives rise to inefficient and burdensome processes for DOL staff.

CPD and the Office of Risk Management personnel identified some limited ways in which they use litigation data to identify risk areas. Although the Office of Risk Management has direct access to DOL's TeamConnect system, CPD has to request data contained therein from DOL, including information on the causes of litigation against the Department. Even where the Office of Risk Management and CPD obtain litigation data from DOL, that data is extremely limited in detail and scope; the Office of Risk Management reported that only four data points—docket number, case disposition, judgment amount and the initial allegation—are reliably and consistently available for each case in DOL's data.

Several factors compromise DOL's reliable collection of litigation data, thereby limiting any potential for analysis of that data to identify risk areas. Many City personnel, with whom OIG spoke to in the course of this inquiry, highlighted the poor performance capabilities and unwieldiness of TeamConnect; one senior member of DOL described the case management system as an old system that contains too many fields, screens, and options, many of which are not required to be filled out and are unrelated to DOL's case management needs. Notably, the DOL employees whom OIG interviewed did not know how to run reports in TeamConnect that would include all litigation data that is actually entered into the system. OIG requested a report that would show all allegations

<sup>26</sup> Dan Hinkel, "A Hidden Cost of Chicago Police Misconduct: \$213 Million to Private Lawyers Since 2004," *Chicago Tribune*, September 12, 2019, accessed October 4, 2021, <https://www.chicagotribune.com/investigations/ct-met-chicago-legal-spending-20190912-sky5euto4jbcdenjfi4datpnki-story.html>.

<sup>27</sup> Determining the true cost of litigation (i.e., incorporating the cost of outside counsel) would require a merger of different datasets.

<sup>28</sup> Consent Decree, *State of Ill. v. City of Chi.*, No. 17-cv-6260, 2019 WL 398703 (N.D. Ill. Jan. 31, 2019).

<sup>29</sup> The form collects information such as the name of the person completing the form, case number, incident date, district where the incident occurred, involved CPD member's unit of assignment, disposition information, appeals information, involved party information, types of claims, and financial costs.

for cases in TeamConnect, but DOL was unable to produce such a list. DOL personnel reported being unsure as to whether it was possible to generate a report of this kind; the absence of such reporting features—or adequate training on them—limits capacities to effectively analyze information for risk management purposes.

According to DOL, the City's Department of Assets, Information and Services completed a review of DOL's information systems, which identified the need for an upgraded case management system. DOL reported that the City has selected a vendor to perform these upgrades.

Furthermore, DOL lacks policies regarding data collection, leading to irregular data practices across DOL members and divisions. DOL's senior personnel reported to OIG that no standardized policies exist, and that each separate DOL division would need to be consulted in order to comprehensively understand practices throughout the Department. Division leadership and personnel told OIG that collection practices are generally understood only through past practice.

DOL's data collection mechanisms are not designed to be merged with CPD's own data, which would permit more thorough, comprehensive risk analysis. For example, personnel in the Office of Risk Management attempted to merge DOL's litigation data with CPD's data on police misconduct complaints for risk analysis, but could only match fewer than 20% of lawsuits to misconduct complaints. According to the Office of Risk Management's personnel, a manual review would have to be conducted in each case to determine whether the conduct at issue in a lawsuit had also been the subject of a misconduct complaint or investigation.

OIG also identified several data entry and collection issues which highlight some of the enterprise-wide issues stated above and pose challenges to effective analysis, including:

1. There are inconsistencies in how similar causes are entered into DOL's various information systems (e.g., "ILLEGALSEARCH&SEIZURE" and "ILLEGALSEARCH/SEIZURE") (emphasis added). These inconsistencies complicate analysis of this data, as comparisons of non-standardized data points is confusing, and any distinctions among meanings are unclear.
2. There are similarities across different categories of cause that, because the TeamConnect system does not have a data dictionary or set of definitions around terms used in the database, lack clarity in how they are distinguished (e.g., "MVA" and "property damage/MVA," or "National Origin Discrimination/Harassment" and "TITLE VII/National Origin). Thus, analyzing this data is made more difficult since the meanings ascribed to these categorizations are unclear.
3. Some of the listed causes are very broad, making it difficult to associate to any specific police action (e.g., "Police Practice," "Police /Emergency Response," and "Other Police Misconduct"). There is little opportunity for meaningful analysis of data categorized so broadly.

Despite its limitations, CPD and the Office of Risk Management report that they have relied, at least in part, on litigation data collected by DOL to identify risk areas for CPD, such as vehicle pursuits and the service of search warrants. CPD and the City have created working groups to address these risk areas by reviewing related policies, trainings, and accountability practices in the interest of reducing risk and litigation. More recently, CPD's risk management personnel and DOL personnel have improved their communication and coordination on the subject of risk management.

As a result, DOL shared more regular updates on litigation against CPD, which allows CPD's risk management personnel to be more informed about risk areas within their department.

OIG inquired about DOL's processes for analyzing litigation data in order to make recommendations to CPD; DOL asserted that this information was subject to attorney-client privilege and declined to describe any such processes to OIG.

## D | Consent Decree Obligations Related to CPD Lawsuits

Paragraphs 548 and 549 of the consent decree require the City to “produce and publish an annual report describing certain legal activity involving CPD” and to “analyze the data and trends collected and include a risk analysis and resulting recommendations.”<sup>30</sup> The consent decree requires the annual report to include a list of any civil lawsuits that were handled by the FCRL division and any vehicle pursuit cases handled by the Torts division that resulted in a final disposition in the previous year.<sup>31</sup> For each lawsuit, the City must report the following information:

1. Case name and number
2. Date trial court entered final order
3. The nature of the final order (e.g., dismissal with prejudice or judgment of liable)
4. A list of the parties at the time the final order was entered
5. The amount of compensatory and punitive damages awarded
6. The amount of attorney's fees and costs awarded
7. If a CPD member is named in the lawsuit, the status of the administrative investigation

In 2020, the City published its first report on 2019 litigation data, stating that it paid \$46.8 million as a result of 116 CPD-related lawsuits that reached final disposition in 2019.<sup>32</sup> In December 2021, the City published the required report with 2020 data, stating that it paid over \$40 million as a result of 82 cases. The 2020 report also includes a summation of the payments made to outside counsel to defend active, pending, and concluded cases in 2020: \$25.3 million.<sup>33</sup> Both reports contain some analysis of the collected data, including information about the cause of the case (e.g., excessive force or illegal search and seizure). The 2019 report states that the most significant sources of financial liability in cases disposed in 2019 were claims from vehicle pursuits and use-of-force incidents, whereas the 2020 report notes that the most significant sources of financial liability in cases disposed in 2020 were claims related to reverse convictions and excessive force.

In these reports, the City also describes limitations related to the analysis of litigation data—including the risk that a lengthy period of time between a case disposition date and the date of the underlying incident might limit the prescriptive value of data because CPD policies or operations may have already changed in the interim. Additionally, the City reported that the generalized

<sup>30</sup> Consent Decree at ¶ 548 - ¶ 549, *State of Illinois v. City of Chicago*, No. 17-cv-6260 (N.D. Ill. Jan. 31, 2019).

<sup>31</sup> Consent Decree ¶ 548, *State of Illinois v. City of Chicago*, No. 17-cv-6260 (N.D. Ill. Jan. 31, 2019).

<sup>32</sup> As required by the consent decree, the report only includes cases that were resolved in one calendar year (i.e., 2019 and 2020) and in which all remedies on appeal were exhausted. City of Chicago, “Report on Chicago Police Department 2019 Litigation,” October 1, 2020, 1-2, accessed December 2, 2020, <https://www.chicago.gov/content/dam/city/sites/police-reform/docs/PoliceLitigationReport-Revised10-1-2020.pdf>.

<sup>33</sup> City of Chicago, “Report on Chicago Police Department 2020 Litigation,” December 2021, accessed March 16, 2022, [https://www.chicago.gov/content/dam/city/sites/public-safety-and-violence-reduction/pdfs/City's%20Report%20on%202020%20Litigation%20\(With%20Appendices\).pdf](https://www.chicago.gov/content/dam/city/sites/public-safety-and-violence-reduction/pdfs/City's%20Report%20on%202020%20Litigation%20(With%20Appendices).pdf).

prescriptive value of the CPD data may be limited due to case-specific factors outside of the merits of the case. For example, the City posits that factors such as the sympathetic circumstances of a plaintiff or the inclinations of the court may create circumstances that lead to a settlement where the underlying facts of a case do not necessarily indicate a need for reform.<sup>34</sup> These limitations are broadly acknowledged as challenges inherent in the use of litigation data in risk management by subject matter experts who nonetheless recognize the value of such use.

By way of recommendations in its 2019 annual report, the City wrote that it was aware of the sources of financial liability identified by the analysis and had already engaged in reform efforts to resolve them, such as developing new vehicle pursuit policies; the recommendations in the 2019 report are, in fact, remedial efforts that were reportedly already underway. Therefore, that analysis did not result in any findings that led to new remedial efforts. The City's 2020 report contained two recommendations: (1) for CPD to continue developing both a data dashboard to better identify trends and potential areas of intervention, as well as a litigation tracking system to inform its risk management strategies, and (2) for CPD to continue to address preventable traffic collisions during pursuits.

DOL employees reported to OIG that the City enlists outside counsel to compile its consent decree-mandated litigation reports by analyzing data collected by DOL attorneys in the new forms which were created specifically for consent decree compliance, separate from DOL's case management system. The Independent Monitoring Team (IMT), which assesses the City's compliance with the consent decree, reviewed the 2019 report during its third reporting period and found the City to be in preliminary compliance<sup>35</sup> with the requirements of paragraphs 548 and 549, describing the City's first report as "thorough and comprehensive."<sup>36</sup> In its fifth monitoring report, the IMT found that the City maintained preliminary compliance with paragraphs 548 and 549, noting that the 2020 report is "comprehensive and well organized" but was not produced in the required time frame.<sup>37</sup>

<sup>34</sup> City of Chicago, "Report on Chicago Police Department 2019 Litigation" and City of Chicago, "Report on Chicago Police Department 2020 Litigation."

<sup>35</sup> The IMT typically defines preliminary compliance as the development of acceptable policies and procedures by the Department to address any paragraph of the consent decree. However, for paragraph 549, the IMT determined preliminary compliance by ensuring that the annual litigation report was sufficient, accurate, and complete. Independent Monitoring Report 3 at 20 and 655, *State of Illinois v. City of Chicago*, No. 17-cv-6260 (N.D. Ill. March 30, 2021). The consent decree defines the Department as compliant when accomplishing three items: the Department must have consent decree requirements in policy, have relevant personnel trained to fulfill those requirements, and carry out the requirements in practice. Consent Decree ¶ 642, *State of Illinois v. City of Chicago*, No. 17-cv-6260 (N.D. Ill. Jan. 31, 2019).

<sup>36</sup> Independent Monitoring Report 3 at 655, *State of Illinois v. City of Chicago*, No. 17-cv-6260 (N.D. Ill. March 30, 2021).

<sup>37</sup> Independent Monitoring Report 5 at 108, *State of Illinois v. City of Chicago*, No. 17-cv-6260 (N.D. Ill. April 11, 2022).

### III | Analysis

In pursuit of performing the analysis prescribed by its powers and duties pursuant to the MCC, OIG attempted to conduct its own analysis of litigation data to identify specific risk areas and make recommendations to inform CPD's operations. OIG determined, however, that it could not conduct a thorough and effective analysis of this data in a manner which provides sufficient insight into operational risk areas to produce meaningful recommendations for corrective actions. Because of the insufficiency and poor quality of collected litigation data, it is impossible, for example, to identify any CPD units whose actions might disproportionately give rise to legal claims.

As shown in Figure 3 below, the data collected by DOL is insufficient to enable CPD—or other stakeholders, including OIG—to readily identify risk areas and conduct in-depth analyses as recommended by subject matter experts. Specifically, the lack of data captured regarding involved CPD members and incident information limits the operational utility of any derivative risk analysis; the absence of key data points would preclude well-tailored and informed recommendations.

**Figure 3: DOL's Collection Practices Compared to Best Practices**

Best Practices for Data Collection	DOL's Collection Practices
<b>Involved member information</b> including names, rank, unit of assignment, identification numbers (e.g., badge number), and supervisors.	While DOL collects involved members' names, if listed in the caption of a lawsuit, it does not reliably document involved members' unique identification numbers, ranks, or supervisor data.
<b>Underlying incident information</b> including date, time, location, identification numbers, and a detailed summary of the incident.	While DOL collects some information, such as incident date and district, it does not consistently collect other incident data such as incident identification numbers (e.g., Records Division number).
<b>Lawsuit Information</b> including all causes, case deposition data, and total costs (e.g., judgments, settlements, and/or fees).	DOL does collect information related to lawsuits; however, some of this information, specifically the cost of outside counsel, is kept in different systems.

Source: OIG analysis.

While CPD may be in possession of some of the information which is missing from DOL's data collection, the manner in which DOL collects and records data limits CPD's ability to match and incorporate its own data to augment any analysis. Specifically, DOL does not consistently document CPD incident identifiers (e.g., Records Division numbers) and personnel identifiers (e.g., employee numbers) within TeamConnect. According to DOL personnel, these types of identifiers are only documented in TeamConnect if the civil complaint lists this information in the case caption.<sup>38</sup> Without these identifiers, CPD's ability to match lawsuits to its own records related to specific incidents is limited. OIG therefore concludes that the City lacks a comprehensive approach to the collection of litigation data, and that this condition has materially impaired the utility of that data to CPD's risk management strategies.

<sup>38</sup> A case caption provides information about a case such as the parties involved, the court the case was filed in, the court's location, and the docket number.



## IV | Recommendations

So that information on civil judgments and the settlement of claims against CPD and its members may be effectively analyzed and used to inform and improve or correct deficiencies in the conduct or operations of CPD, OIG recommends:

1. DOL, the Office of Risk Management, and CPD should better coordinate to align goals and procedures to determine how to best collect litigation data, including how to ensure DOL data can be merged with CPD data.
2. DOL, the Office of Risk Management and CPD should better coordinate to implement industry best practices, specifically related to what information to collect within litigation data systems.
3. DOL should develop policies, procedures, and training for its staff across all divisions to ensure that litigation data is consistently and accurately collected. Such a policy should require the collection of data necessary to meet the goals of CPD and the City's risk management programs, and include mechanisms to ensure that DOL personnel are complying with the policy.
4. As DOL works to upgrade its case management system, it should consult with the Office of Risk Management, CPD, and the recommendations within this advisory to better collect data for risk management purposes, and remove the need to use multiple systems and forms for risk management.

## V | Department Responses

### A | DOL Management Response

1. *Agree. The DOL will continue its ongoing efforts to coordinate the collection of litigation data with the Office of Risk Management and CPD.*
2. *Agree. The DOL will continue its ongoing efforts to implement best practices in the collection of litigation data with the Office of Risk Management [ORM] and CPD.*
3. *Agree. The DOL is in the process of procuring and implementing a new case management system in calendar year 2022 and 2023. Once the system is fully in place training and policies will be drafted to ensure compliance with the new system[.]*
4. *Agree. The DOL is already in the process of working with ORM and CPD.*

### B | CPD Management Response

1. *Agree. CPD has been and will continue working with DOL on the collection of litigation data. In the near term, CPD has developed a system to receive litigation data from DOL. This system will automatically pull CPD employee and incident data in order to better track litigation and identify trends with specific employees, unit/beats, and overall litigation. This system is meant to be a stop-gap until the DOL implements a new Electronic Case Management System. The CPD, in discussions with the MO Office of Risk Management, has requested that DOL's case management system allow for licenses to be provided to specific users in CPD's Legal Affairs Division and Risk Management Unit.*
2. *CPD has created its own system to receive data from DOL, which CPD recently demonstrated for the Office of Risk Management. Since CPD has better access to certain information that might not be included in a plaintiff's complaint (e.g., an officer's district or beat), CPD will supplement data as necessary to ensure it collects information that is consistent with best practices.*

### C | Office of the Mayor Management Response

1. *Agree. Risk Management and DOL conducted a departmental risk assessment in the spring of 2021. Among the risks identified were outdated IT systems (e.g., Team Connect), inconsistent data collection practices and the lack of formalized standard operating procedures. Following the assessment, Risk Management worked with DOL and AIS to procure a new electronic litigation management system ("ELM"). The new system, which was selected earlier this year, will be rolled out across the department in 2022 and will allow DOL to better capture, manage and share litigation-related data, and generate reports that can be used to identify, respond to and manage risks.*
2. *Agree. Based on conversations with CPD, it has been working with DOL on this. In addition, CPD has created its own system to receive data from DOL, which CPD recently demonstrated for the Office of Risk Management. Since CPD has better access to certain information that might not be included in a plaintiff's complaint (e.g., an officer's district or beat), CPD will supplement data as necessary to ensure it collects information that is consistent with best practices. As DOL rolls out the*

*new ELM system, Risk Management will work with DOL and CPD Risk Management to see if CPD can get user licenses for the new ELM system so both departments are using the same platform.*

## VI | Conclusion

Critical shortcomings in the collection and management of data on litigation involving CPD and its members limit the City's ability to effectively manage the risk of expense to the City and harm to its residents. Given the pressing need to reform CPD's practices, the City should take every opportunity to learn lessons from those instances in which the conduct of CPD and its members gives rise to costly legal claims.

# Appendix A | Department Responses

## A | Chicago Police Department



William Marback  
Interim Inspector General

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4701

### Management Response Form

Project Title: Advisory Concerning the City of Chicago's Use of Litigation Data in Risk Management Strategies for the Chicago Police Department

Project Number: 18-0790

Department Name: Chicago Police Department

Date: April 26, 2022

Department Head: David Brown, Superintendent

OIG Recommendation	Agree/Disagree	Department's Proposed Action	Implementation Target Date	Party Responsible
1. DOL, the Office of Risk Management, and CPD should better coordinate to align goals and procedures to determine how to best collect litigation data, including how to ensure DOL data can be merged with CPD data.	Agree	CPD has been and will continue working with DOL on the collection of litigation data. In the near term, CPD has developed a system to receive litigation data from DOL. This system will automatically pull CPD employee and incident data in order to better track litigation and identify trends with specific employees, unit/beats, and overall litigation. This system is meant to be a stop-gap until the DOL implements a new Electronic Case Management System. The CPD, in	Work began in 2021 and will continue through out 2022.	DOL, Office of Risk Management and CPD
		discussions with the MO Office of Risk Management, has requested that DOL's case management system allow for licenses to be provided to specific users in CPD's Legal Affairs Division and Risk Management Unit.		
1. DOL, the Office of Risk Management and CPD should better coordinate to implement industry best practices, specifically related to what information to collect within litigation data systems.		CPD has created its own system to receive data from DOL, which CPD recently demonstrated for the Office of Risk Management. Since CPD has better access to certain information that might not be included in a plaintiff's complaint (e.g., an officer's district or beat), CPD will supplement data as necessary to ensure it collects information that is consistent with best practices	Ongoing	DOL, Office of Risk Management and CPD

## B | Department of Law

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## Management Response Form

Project Title: Advisory Concerning the City of Chicago's Use of Litigation Data in Risk Management Strategies for the Chicago Police Department Project Number: 18-0790

Department Name: Chicago Department of Law

Date: April 26, 2022

Department Head: Celia Meza, Corporation Counsel

OIG Recommendation	Agree/ Disagree	Department's Proposed Action	Implementation Target Date	Party Responsible
1. DOL, the Office of Risk Management, and CPD should better coordinate to align goals and procedures to determine how to best collect litigation data, including how to ensure DOL data can be merged with CPD data.	Agree	The DOL will continue its ongoing efforts to coordinate the collection of litigation data with the Office of Risk Management and CPD.	Ongoing	DOL, CPD, ORM
2. DOL, the Office of Risk Management and CPD should better coordinate to implement industry best practices, specifically related to what information to collect within litigation data systems.	Agree	The DOL will continue its ongoing efforts to implement best practices in the collection of litigation data with the Office of Risk Management and CPD.	Ongoing	DOL, CPD, ORM
OIG Recommendation	Agree/ Disagree	Department's Proposed Action	Implementation Target Date	Party Responsible
3. DOL should develop policies, procedures, and training for its staff across all divisions to ensure that litigation data is consistently and accurately collected. Such a policy should require the collection of data necessary to meet the goals of CPD and the City's risk management programs and include mechanisms to ensure that DOL personnel are complying with the policy.	Agree	The DOL is in the process of procuring and implementing a new case management system in calendar year 2022 and 2023. Once the system is fully in place training and policies will be drafted to ensure compliance with the new system.	End of calendar year 2023	DOL
4. As DOL works to upgrade its case management system, it should consult with the Office of Risk Management, CPD, and the recommendations within this advisory to better collect data for risk management purposes, and remove the need to use multiple systems and forms for risk management.	Agree	The DOL is already in the process of working with ORM and CPD.	ongoing	DOL, CPD, ORM

## C | Office of the Mayor

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Interim Inspector General

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## Management Response Form

Project Title: Advisory Concerning the City of Chicago's Use of Litigation Data in Risk Management Strategies for the Chicago Police Department

Project Number: 18-0790

Department Name: City of Chicago Office of the Mayor

Date: April 26, 2022

Department Head: Lori Lightfoot, Mayor

OIG Recommendation	Agree/ Disagree	Department's Proposed Action	Implementation Target Date	Party Responsible
1. DOL, the Office of Risk Management, and CPD should better coordinate to align goals and procedures to determine how to best collect litigation data, including how to ensure DOL data can be merged with CPD data.	Agree	Risk Management and DOL conducted a departmental risk assessment in the spring of 2021. Among the risks identified were outdated IT systems (e.g., Team Connect), inconsistent data collection practices and the lack of formalized standard operating procedures. Following the assessment, Risk Management worked with DOL and AIS to procure a new electronic litigation management system ("ELM"). The new system, which was selected earlier this year, will be rolled out across the department in 2022 and will	Work began in 2021 and will continue throughout 2022.	DOL, Office of Risk Management and CPD
		allow DOL to better capture, manage and share litigation-related data, and generate reports that can be used to identify, respond to and manage risks		
2. DOL, the Office of Risk Management and CPD should better coordinate to implement industry best practices, specifically related to what information to collect within litigation data systems.	Agree	Based on conversations with CPD, it has been working with DOL on this. In addition, CPD has created its own system to receive data from DOL, which CPD recently demonstrated for the Office of Risk Management. Since CPD has better access to certain information that might not be included in a plaintiff's complaint (e.g., an officer's district or beat), CPD will supplement data as necessary to ensure it collects information that is consistent with best practices.  As DOL rolls out the new ELM system, Risk Management will work with DOL and CPD Risk Management to see if CPD can get user licenses for the new ELM system so both departments are using the same platform.	Ongoing	DOL, Office of Risk Management and CPD



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