



# Office of the City Clerk

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### TO THE MAYOR, CITY COUNCIL, CITY CLERK, CITY TREASURER, AND COMMUNITY MEMBERS 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 third quarter of 2021, filed with City Council pursuant to Section 2-56-120 of the Municipal Code of Chicago.

Big cities bear the real-time brunt of our society's inequities and discontinuities. That is why, even in the best of times, big cities operate at the edge. And once in a generation, there are challenges that for some cities take on existential dimensions; at each such juncture, some slip into decline. Chicago has not tipped that way, but we should not blink the fact that it could, for our city is at one of these generational crossroads. Our position there is even more precarious for our carrying the weight of Chicago's historical struggles to build and maintain essential bulwarks of good government. A famous American literary axiom that applies here: "The past is never dead. It's not even past." Chicago's past is definitely not dead, nor even past. And its echoing failures of accountability and transparency-often baked into and calcified in its institutions and bureaucracies-corrode even our most determined efforts to effect the reforms needed to meet the challenges immediately before us.

I move on from the twelve-year privilege of serving as Inspector General still confident that Chicago holds in its hands the resources and solutions to this great city's challenges; that Chicago controls its destiny. And I do so equally confident that the talented, dedicated, mission-driven public servants of the Office of Inspector General-a municipal oversight body that is a national model in ways that defy the prevailing negative national stereotypes of Chicago-will continue do what they have always done: identify and bring forward, through evidence-based investigations, audits, evaluations, and reviews, new opportunities for City government to be better and fairer in its service to the people. The past may not be dead, and it

may not even be past, but as evidenced by this office's varied undertakings and contributions reflected in the enclosed quarterly report, it need not be our future. Thank you for the privilege of serving.

Respectfully,

Joseph M. Ferguson Inspector General  
City of Chicago

IGCHICAGO.ORG <<http://IGCHICAGO.ORG>> | OIG TIPLINE (866) 44S-4754 | TTY- (773) 478-2066

THIRD QUARTER REPORT

OCTOBER 15, 2021

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## THIRD QUARTER 202 HIGHLIGHTS

# 872

### COMPLAINTS RECEIVED

OIG concluded investigations regarding:

- Benefits fraud
- Bribery
- Ethics violation
- Firearm in the workplace
- Forgery
- Racist and offensive social media

# 179

### MATTERS CONCLUDED

# 12

### REPORTS PUBLISHED

## \$150,000

### RESTITUTION PAID TO THE CITY

OIG published reports including:

- Audit of the Municipal Depository Designation Process
- Audit of the Public Building Commission's Administration of Building Commissioning
- Evaluation of the Demographic Impacts of the Chicago Police Department's Hiring Process
- The Chicago Police Department's Budget Explainer
- The Chicago Police Department's Use of ShotSpotter Technology

OIG published follow-up reports regarding:

- Chicago Department of Transportation Commercial Driveway Billing (Second Follow-up)
- Chicago Low-Income Housing Trust Fund Housing Quality Inspections
- Chicago Police Department's Management and Production of Records
- Department of Human Resources Employee Performance Evaluation
- Department of Streets and Sanitation Weed-Cutting Program
- Delays in Providing Notice of Sanitation Code Violations

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#### THIRD QUARTER REPORT

This quarterly report provides an overview of the operations of the Office of Inspector General (OIG) during the period from July 1, 2021, through September 30, 2021. The report includes statistics and narrative descriptions of OIG's activity as required by the Municipal Code of Chicago (MCC).

## 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.<sup>1</sup> 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. Narrative summaries of sustained administrative investigations, i.e., those typically involving violations of the City's Personnel Rules, Debarment Rules and Ethics Ordinance-and the resulting department or agency actions are released in quarterly reports. OIG's investigations resulting in criminal or civil recovery actions are summarized in quarterly reports following public action, e.g., indictment, and updated in ensuing quarterly reports as court developments warrant. 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 diversity, equity, inclusion, and compliance functions.

<sup>1</sup> "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

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## II. INVESTIGATIONS

The 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 872 complaints this quarter. The following chart 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





TABLE #3 - SUBJECT OF INVESTIGATIONS AND REFERRALS

Subject of Investigations and Referrals	Number of Investigations and Referrals <sup>1</sup> , <sup>2</sup>
Employees	450
Contractors, Subcontractors, and Persons Seeking Contracts	15
Elected Officials	9
Appointed Officials	1
Licensees	11
Other	92
<b>Total</b>	<b>578</b>

**D. CASES CONCLUDED THIS QUARTER**

This quarter, OIG concluded 579 opened matters. The following table provides details on the status and number of cases concluded.

" 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

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TABLE #4 - CASES CONCLUDED THIS QUARTER

Status ■ ...	Number of Cases
Referred to a City Department	462
Referred to a Sister/External Agency	86
Sustained <sup>5</sup>	12
Not Sustained <sup>6</sup>	14
Closed Administratively <sup>7</sup>	5
<b>Total</b>	<b>579</b>

**E. PENDING MATTERS**

At the close of this quarter, OIG had a total of 174 pending matters, including investigations opened during the quarter.

ILLINOIS V. CHICAGO, CONSENT DECREE PARAGRAPH 481 INVESTIGATIONS

Under collective bargaining agreements between the City of Chicago and certain ranks of Chicago Police Department (CPD) members, OIG may only investigate allegations of misconduct concerning an incident or event which occurred five

years prior to the date of the complaint or allegation if the CPD superintendent authorizes the investigation in writing. Under paragraph 481 of the consent decree entered in Illinois v. Chicago, if OIG requests the superintendent's authorization to open such an investigation, the superintendent must respond within 30 days.

During this quarter, OIG requested the superintendent's authorization in one case. In that case, the superintendent responded within 30 days of OIG's written request.

## F. INVESTIGATIONS OPEN OVER TWELVE MONTHS

Under MCC § 2-56-080, OIG must provide quarterly statistical data on pending investigations open over 12 months. Of the 174 pending matters, 50 investigations have been open for at least 12 months. Most cases remain pending due to being complex or resource intensive investigations that may involve difficult issues or multiple subjects (unless otherwise noted) or may be the subject of criminal investigation being conducted jointly with law enforcement investigative or prosecutorial partners at the federal, state, or local level.

<sup>5</sup> 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.

<sup>6</sup> A case is not sustained when OIG concludes that the available evidence is insufficient to prove a violation under applicable burdens of proof

<sup>7</sup> 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.

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#### TABLE #5 - INVESTIGATIONS OPEN OVER TWELVE MONTHS, THIRD QUARTER

OIG Case Number	General Nature of Allegations
13-0270	Pending federal criminal investigation of delegate agency fraud.
16-0526	Pending federal criminal investigation of bribery.
17-0321	City employee receiving funds through a City contract.
18-0163 <sup>8</sup>	Pending federal criminal investigation of bribery.
19-0114	Duty disability fraud.
19-0178	Criminal investigation concluded without charge and resumed for administrative investigation of distribution of steroids to City employees.
19-0303 <sup>9</sup>	False information submitted to the City.
19-0313	Pending federal criminal investigation of bank fraud.
19-0515	Preferential treatment.
19-0516	Unauthorized use of City equipment, time fraud, and submission of false documentation.
19-0528	Failure to follow department rules in course of an investigation.
19-0788 <sup>10</sup>	Improper use of City resources.
19-1128	Domestic battery and failure to report conflict of interest.
19-1159	Contract fraud.
19-1323	Providing false information.

20-0003	Failure to follow department rules in the course of an investigation.
20-0008	Failure to provide appropriate care.
20-0025	Pending federal criminal investigation of theft.
20-0071	Pending federal criminal investigation of bribery.
20-0257	Pending federal criminal investigation of bribery.
20-0385	Residency violation.
20-0441	Misuse of contractor license.
20-0532"	Post-employment violation.
20-0619 <sup>12</sup>	Secondary employment/FMLA leave abuse.
20-0708	False records submitted to City.
20-0780	Violence in the workplace.

<sup>8</sup> On hold, in order not to interfere with another ongoing investigation. <sup>9</sup> Extended due to higher-risk, time sensitive investigations.

Additional complaints were added during the course of the investigation. <sup>10</sup> Extended due to higher-risk, time sensitive investigations. <sup>11</sup> Extended due to higher-risk, time sensitive investigations

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OIG Case Number	General Nature of Allegations	• i
20-0837 <sup>13</sup>	Improper use of confidential information.	
20-0838	Retaliation.	
20-0841 <sup>14</sup>	Failure to follow departmental rules regarding accident and drug testing.	
20-0842	WBE/MBE fraud.	
20-0844 <sup>15</sup>	FMLA fraud.	
20-0876 <sup>16</sup>	Falsification/Improper use of City resources.	
20-0878 <sup>17</sup>	Residency violation.	
20-0881	Residency violation.	
20-0882 <sup>18</sup>	Failure to follow departmental rules regarding COVID-19 quarantine.	
20-0918 <sup>19</sup>	Building permit fraud.	
20-0987	Harassment.	
20-0988	Bribery.	
20-0989	Bribery.	
20-1015	Failure to follow department rules in the course of an investigation.	
20-1055 <sup>20</sup>	False records submitted to the City.	
20-1061	Violation of firearms in the workplace policy.	
20-1101	Retaliation.	
20-1128	Time fraud and submission of false documentation.	
20-1155	Duty Disability fraud.	
20-1158 <sup>21</sup>	Duty Disability fraud.	
20-1161	FMLA fraud.	
20-1162	Bribery.	
20-1210	MBE/WBE fraud.	

20-1222<sup>22</sup> Improper use of City resources.

<sup>13</sup> Extended due to higher-risk, time sensitive investigations.

<sup>14</sup> Extended due to higher-risk, time sensitive investigations.

<sup>15</sup> Extended due to higher-risk, time sensitive investigations

<sup>1b</sup> Extended due to higher-risk, time sensitive investigations.

<sup>1</sup> Extended due to higher-risk, time sensitive investigations.

<sup>18</sup> Extended due to higher risk, time sensitive investigations

<sup>15</sup> Extended due to higher-risk, time sensitive investigations

<sup>30</sup> Extended due to higher-risk, time sensitive investigations

<sup>1</sup> Additional complaints were added during the course of the investigation Extended due to higher-risk, time sensitive investigations

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OCTOBER 15, 2021

## G. ETHICS ORDINANCE COMPLAINTS

This quarter, OIG received 48 Ethics Ordinance complaints. OIG declined 32 complaints because they lacked foundation, opened 4 for investigation, referred 3 to the appropriate City department, and 9 are pending.

## H. PUBLIC BUILDING COMMISSION COMPLAINTS AND INVESTIGATIONS

This quarter, OIG received one complaint related to the Public Building Commission and currently has no investigations open.

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### 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 investigation<sup>23</sup>-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 Municipal Code of Chicago (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 or independent OIG analysis of campaign finance data. 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.<sup>24</sup> 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 three campaign finance violation matters<sup>25</sup> that involved \$8,000 in disallowed contributions. Details are provided in the table below.

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

OIG Case Number, Donation -Amount (Year) ■ .i^v -w ., ■ "": Donation Source

Amount •@f^N^'-'^ ,



• Returned

OIG Case Number	Donation -Amount (Year)	Donation Source	Tunds
20-1322	\$2,500 (2019)	Company doing business with the City	\$1,000
20-1322	\$5,000 (2016)	Company doing business with the City	\$3,500
20-1322	\$5,000 (2016)	Company doing business with the City	\$3,500

<sup>23</sup> 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 "

<sup>24</sup> 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 be entitled to notice and opportunity to cure the violation and avoid a fine "Two separate elected officials were involved in three violations, all captured under the same OIG case number

## B. SUSTAINED ADMINISTRATIVE INVESTIGATIONS

The following are brief synopses of administrative investigations completed and eligible to be reported as sustained investigative matters. A matter is not eligible for reporting until, pursuant to the MCC, the relevant City department has had 30 days (with the potential for an extension of an additional 30 days) to respond to OIG findings and recommendations<sup>26</sup> and inform OIG of what action the department intends to take.

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.<sup>27</sup>

In addition to OIG's findings, each synopsis includes the action taken by the department in response to OIG's recommendations. 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.

TABLE #7 - OVERVIEW OF CASES COMPLETED AND REPORTED AS SUSTAINED MATTERS

OIG Case Number	Department or Agency of Subject	OIG Recommendation	Department or Agency Action
20-1477	Aviation	Impose discipline up to and including discharge	Discharged; appeal pending
20-1282	Lobbyist	Find probable cause of violation of the Ethics Ordinance and impose appropriate sanctions	Found probable cause
20-1129	Law	Discharge and designate as ineligible for rehire	Initiated discharge proceedings
20-0109	Assets, Information and Services	Discharge and designate as ineligible for rehire	Written reprimand
19-1346	City Contractor	Discharge contractor employee	Discharged
19-1200	Fire	Discharge and designate as ineligible for rehire	Discharged

<sup>2a</sup> The Public Building Commission (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.

In some instances, OIG may defer the reporting of a matter against an individual until the conclusion of investigation of other individuals connected to the same misconduct, so as to preserve investigative equities and to assure that the administrative due process rights of those subject to the continuing investigation are protected.

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OIG Case Number	Department or Agency	OIG Recommendation	Department or Agency Action
19-0958	Aviation	Discipline up to and including termination	Initiated discharge proceedings
19-0715	Finance	Discharge and designate as ineligible for rehire	Retired prior to discipline; designated as ineligible for rehire

1. Threatening Social Media Post (#20-1477)

An OIG investigation established that a Chicago Department of Aviation (CDA) motor truck driver (MTD) committed conduct unbecoming a City employee when the MTD posted a photo to their Facebook account of the MTD holding a handgun with the message "Proud Boys, KKK, or any of you other Hate Mongers...we ready! Bring that foolishness this

way if you want 2." Specifically, OIG investigation's developed evidence showing that the MTD's post-which they claimed to have staged and created in a public bathroom at a Menards store and uploaded while they were off duty-occurred after the MTD was alleged to have referred to several of their colleagues in the CDA break room as "the Klan" or "KKK." After being made aware of the Facebook post, several of the MTD's colleagues alerted CDA of their fear that the MTD might be seeking to harm them with a firearm.

OIG recommended that CDA impose discipline up to and including discharge against the MTD, commensurate with the gravity of their violations, past disciplinary record, and any other relevant considerations.

In response, CDA discharged the MTD on September 21, 2021. The MTD appealed their discharge to the Human Resources Board; a hearing on their discharge will be scheduled sometime in 2021.

## 2. Lobbyist Misconduct (#20-1282)

An OIG investigation established that a lobbyist, formerly registered with the City of Chicago, violated the City's Governmental Ethics Ordinance (Ethics Ordinance). On three occasions, the former lobbyist lobbied on behalf of entities that they did not report on their annual lobbyist registration, as required by Ethics Ordinance. On four occasions, the lobbyist conducted lobbying activity that they did not report on their quarterly lobbying activity reports, also as required by the Ethics Ordinance. The lobbyist declined OIG's interview request and asserted their Fifth Amendment right against self-incrimination in response to OIG's document request. OIG recommended that, pursuant to its authority under the Ethics Ordinance, the Board of Ethics (BOE) find probable cause that the lobbyist violated the Ethics Ordinance and impose appropriate sanctions.

At its meeting on September 13, 2021, BOE found probable cause that the lobbyist may have violated the Ethics Ordinance by lobbying on behalf of three entities for which the lobbyist never registered. BOE did not find probable cause to conclude that the lobbyist failed to file activity

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reports for these activities. Pursuant to the Ethics Ordinance, the lobbyist is entitled to meet with BOE to attempt to rebut the Board's probable cause findings.

## 3. State Benefits Fraud (#20-1129)

An OIG investigation established that a Department of Law (DOL) administrative assistant II fraudulently filed an unemployment insurance claim despite their active employment with the City, in an attempt to obtain from the State of Illinois benefits to which they were not entitled. Specifically, the administrative assistant II made a false material representation in an application to the Illinois Department of Employment Security for unemployment insurance benefits.

OIG recommended that DOL discharge the administrative assistant II and refer them for placement on the ineligible for rehire list maintained by the Department of Human Resources (DHR). In response, DOL agreed with OIG's recommendations and initiated the process to discharge the administrative assistant II.

## .4. Firearm in the Workplace (#20-0109)

An OIG investigation established that a Department of Assets, Information, and Services (AIS) fleet services assistant

carried a loaded, semi-automatic firearm into O'Hare International Airport and attempted to pass through the Transportation Security Administration (TSA) security checkpoint with the firearm in a carry-on backpack on their way to board a flight to New York's La Guardia Airport. The fleet services assistant was also carrying an empty badge wallet and a pair of handcuffs in their backpack. The fleet services assistant did not possess a valid Firearm Owners Identification (FOID) card or a Concealed Carry License at the time.

OIG's investigation also revealed that the fleet services assistant had previously applied for a FOID card but was denied due to prior criminal convictions. Without a valid FOID card, the fleet services assistant could not lawfully acquire or possess firearms or firearm ammunition. However, in order to circumvent the FOID card provisions, the fleet services assistant made separate purchases of the required parts to assemble a fully-functional firearm, including an 80% lower receiver kit (sometimes referred to as a "ghost gun") which the fleet services assistant modified to accommodate the remaining components.

OIG recommended that AIS discharge the fleet services assistant and refer them for placement on the ineligible for rehire list maintained by DHR. In response, AIS disciplined the employee with a written reprimand. As an explanation for its deviation from OIG's recommendation, AIS stated:

*We were not given permission to terminate because according to the Law [Department], under the Illinois Human Rights Act, it is illegal to take an adverse employment action against an employee who has committed a crime off duty unless the department can articulate a "substantial relationship" between the criminal offense and the employee's job title[,J (which means that the job creates an opportunity for the employee to commit similar offenses) or continuing the*

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*employment would create an unreasonable risk to [the] safety of persons or property.*

When the incident occurred at the TSA checkpoint, the fleet services assistant was arrested by the Chicago Police Department and criminally charged with weapons-related felonies for possession of the firearm at O'Hare. On August 9, 2021, the fleet services assistant pleaded guilty to a felony charge of boarding or attempting to board an aircraft with a weapon and was sentenced to two years of probation.

#### 5. Acceptance of a Bribe (#19-1346)

An OIG investigation established that a City of Chicago contractor employee accepted a \$100 bribe from a private individual in exchange for not towing the individual's booted vehicle. The employee's responsibilities for the contractor required the employee to drive throughout the City and locate vehicles that had been booted for failure to pay parking tickets. Once the employee located a booted vehicle, the employee was to remove the boot when the tow truck arrived to transport the vehicle to an impound lot. The investigation revealed that the employee accepted a \$100 bribe from the owner of a vehicle that had been booted. The agreement between the owner and the employee was that the employee would not call for a tow truck, leave the area, and return at a later time. The employee provided the owner with Chase QuickPay instructions to tender the payment. In an OIG interview, the employee admitted to receiving the bribe and also admitted to knowledge of its impropriety.

OIG recommended that the City contractor discharge the employee. In response, the City contractor discharged the employee. The City contractor also stated that it had informed other employees of the inappropriate conduct and reminded them of proper procedures to follow in the future.

6. Racist and Offensive Social Media Comments (#19-1200)

An OIG investigation established that a Chicago Fire Department (CFD) firefighter-EMT made multiple racist and offensive comments in posts on their own Facebook page and on a Facebook post made by a member of the public, in violation of City of Chicago Personnel Rules and CFD General Orders. The firefighter-EMT commented multiple times on a Facebook post made by a member of the public, whom the firefighter-EMT did not know. The comments mocked the member of the public's mother's parenting skills, assumed that the member of the public and the other commenters on the post were welfare recipients, and suggested that one of the commenters take their "ass back over the border." In the posts, the firefighter-EMT drew attention to their employment multiple times by mentioning that they had to go to work and that they had a "real job." The firefighter-EMT's Facebook profile picture, which showed the firefighter-EMT and their child in CFD paraphernalia, appeared next to each of the comments.

The firefighter-EMT's Facebook profile page was publicly available and included information about their employment as a City of Chicago firefighter. A review of publicly available posts on the firefighter-EMT's Facebook page revealed multiple racist posts that used derogatory

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terminology toward minorities and seemingly advocated violence against the public. The posts were particularly directed at Black people, presenting stereotypes equating them with criminality and welfare, and dehumanizing individuals with terms like "animals" and "hoodrat." The firefighter-EMT also derided and insulted an Asian reporter by calling her a false name and writing in a mocking imitation dialect. Further, the firefighter-EMT seemingly issued praise for violence-advocating for shooting an individual in Kenosha and posting a cartoon depicting a driver hitting protesters with a car. In addition to the racist and offensive content that the firefighter-EMT posted on a public Facebook page, they also let their Facebook page be used by others to spread such content.

OIG recommended that CFD discharge the firefighter-EMT and refer them for placement on the ineligible for rehire list maintained by DHR.

CFD agreed with OIG's recommendations discharged the firefighter-EMT. The firefighter-EMT has grieved their termination.

7. City Employee Doing Business with the City (#19-0958)

An OIG investigation established that a CDA operating engineer owned and operated a printing company through which they conducted business with the City and accepted City payments. The evidence supports a finding that the employee conducted business with various aldermen, printing business cards, stationery, flyers, and other documents for their respective offices. The employee invoiced the aldermen and the City, and aldermanic staff submitted payment vouchers to the Department of Finance. The City then paid the employee by direct deposit from aldermanic expense accounts into the printing company's bank account. Furthermore, the employee emailed and phoned their printing clients while at work and on City time. This conduct violated various City Personnel Rules.

OIG recommended that CDA impose discipline up to and including discharge against the employee, commensurate with the gravity of his violations, past disciplinary record, and any other relevant considerations.

In response, the Department informed OIG that it has initiated termination proceedings against the employee.

8. Residency Fraud (#19-0715)

An OIG investigation established that a Department of Finance (DOF) lead accountant lived in Olympia Fields, Illinois (the "Olympia Fields property"), in violation of MCC § 2-152-050, which requires City employees to reside in Chicago. OIG gathered documents including the deed, the mortgage, property tax information, and water and electrical utility bills for the Olympia Fields property, all of which were in the lead accountant's name. OIG conducted multiple surveillances at the Olympia Fields property, and on three occasions observed the lead accountant leaving for work. An analysis of the IP address that the lead accountant used to access the City's virtual

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private network for teleworking also revealed that the lead accountant was teleworking from the Olympia Fields property rather than the City address listed on the telework agreement.

OIG recommended that DOF refer the lead accountant for placement on the ineligible for rehire list maintained by DHR.

In response, DOF agreed with OIG's recommendation; however, before DOF acted, the employee retired from City service. DOF referred the employee for placement on the ineligible for rehire list

### C. CASES COMPLETED AND REPORTED AS SUSTAINED MATTERS

OIG has completed additional investigations and submitted reports of sustained administrative cases to various City departments in the cases listed in the table below. Because OIG has not yet received final reporting on the action taken by the departments in response to OIG's recommendations, these cases must be further reported for the first time or as updates in future OIG quarterly reports. OIG offers the below table in order to provide notice of the completion of investigations that are not otherwise fully accounted for in this report.

While several of these cases remain within the 30 day response period (with the potential for an extension of an additional 30 days) outlined in the MCC, in some instances the subject department has made a determination but action is pending a drafting of charges by the Department of Law, extending final agency action beyond the mandatory response time afforded by the MCC. To assure concluded OIG investigations are not rendered unaccounted for during such administrative lags, those cases are highlighted below. Summary descriptions for all cases below will follow in subsequent OIG quarterly reports, upon formal charging.

#### TABLE #8 - OVERVIEW OF CASES COMPLETED AND REPORTED AS SUSTAINED MATTERS

OIG Case Number	Department or Agency of Subject,	General Nature of Allegations	OIG Recommendation
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21-0085	Streets and Sanitation	Tree trimmer bribery	Discharge and designate as ineligible for rehire
21-0028	Management ;	■Creation of a hostile work environment by posting offensive, racist, and sexually harassing language online; interference with City public works negotiations without authorization; and unauthorized use of the City seal	Discharge and designate as "rd ineligible for rehire

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OIG Case Number	Department or Agency of Subject	General Nature of Allegations	OIG Recommendation :J?
20-1266	Water Management	Indecent exposure while on duty	Discharge and designate as ineligible for rehire
20-0486	Buildings and Public Health	City's planning and permitting process for implosion of an industrial smokestack at the former Crawford Generating Station	Discipline against two Department of Buildings officials, commensurate with the gravity of their violations Discipline up to and including discharge against one Department of Public Health official
20-1129 <sup>28</sup>	Law	Filing a fraudulent - unemployment insurance claim	Discharge and designate as ineligible for rehire
20-0442	Public Safety Administration	Seeking preferential treatment to avoid arrest ;s	Discharge and designate as ineligible for rehire
19-0958 <sup>29</sup>	Aviation	Political work on City time and sand unauthorized secondary employment	Discipline up to and including termination ;;
19-0831	Aviation	Residency violation	Employee resigned after OIG interview; designate as ineligible for rehire and place OIG report in employee personnel file
19-0487	Emergency Management and Communications	Fraudulent use of jury duty leave	Discipline up to and including termination
18r0686, 20-0416	Aviation; ;	<i>Use of racial slur to refer to a coworker '■■■.l-'</i>	Discharge and designate as 'S7:■ ineligible for rehire
18-0680	City lessee and signatory to the City's Airline Use	Lessee employees signed.....J;; fraudulent airport badging application for fictitious	Department of Aviation should seek the immediate and permanent removal of both lessee employees from all future

<sup>28</sup>Cases #20-1129 is also listed in the preceding Sustained Administrative Investigations section along with descriptive summary of the case. However, inclusion in this chart reflects that the departmental action in response to OIG's recommendations is the initiation of discharge proceedings, which have not yet been completed <sup>25</sup> Case #19-0958 is also listed in the preceding Sustained Administrative Investigations section along with descriptive summary of the case. However, inclusion in this chart reflects that the departmental action in response to OIG's recommendations is the initiation of discharge proceedings, which have not yet been completed

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■jff f- ■■ ■ . 'Department or ■ - OIG Case Agency of r Subject Number	General Nature of Allegations:	OIG Recommendation
and Lease Agreement	company to allow access to secure areas of the airport ■	work at City airports in connection with any work for the City of Chicago and any work at City airports requiring a security badge

## 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.<sup>30</sup>

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 AND DEVELOPMENTS IN CHARGED CRIMINAL CASES

The following table summarizes ongoing criminal cases that relate to closed OIG cases and provides the current status of the criminal proceedings. In the initial quarter after a case is indicted, a detailed summary will appear in this section. Please note that charges in an indictment are not evidence of guilt. The defendant is presumed innocent and entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

TABLE #9 - DEVELOPMENTS IN PRIOR CHARGED CRIMINAL CASES

OIG Case #	Case Name	Date	Summary	Status
17-0738-0952	USA v. William Helm	3/5/2020	Helm, a former Chicago Department of Aviation deputy commissioner, was indicted for bribery related to a federal program, based on his offer to pay Illinois State Senator and Chairman of the Senate Transportation Committee Martin Sandoval, in order to influence the Illinois Department of Transportation's award of work to a particular contractor	11/30/2021: Status hearing

<sup>30</sup>OIG may issue summary reports of investigation recommending administrative action based on criminal conduct prior to, during, or after criminal prosecution

19-0019	USA v. Edward Burke et al, 19 CR 322 (N.D. IL)	4/11/2019	Burke, an alderman and former chairman of the City Council Committee on Finance, was indicted on multiple counts of bribery, extortion, and interference with commerce by threat, along with Peter Andrews, an employee of Burke's ward office, and Charles Cui, a managing member of an LLC that owned property in the City. The charges against Burke stem from various incidents in which he used or threatened to use his authority as a City elected official to secure business for his private law firm.	12/14/2021: Status hearing
19-0313	USA v. Patrick D. Thompson, 21-CR-279 (N.D. IL)	4/29/2021	Thompson, an alderman and an attorney, was indicted on five counts of filing false income taxes and two counts of knowingly making a false statement to the Federal Deposit Insurance Corporation. The charges stem from an allegation that Thompson received \$219,000 from Chicago-based Washington Federal Bank for Savings but then stopped making repayments, failed to pay interest, and falsely represented on five years of income taxes that he paid interest on money he received.	10/18/2021: Trial will begin at 10:00 a.m. in Courtroom 1219 10/8/21: Status hearing
18-0163	USA v. Austin et al, 21-CR-408 (N.D. IL)	7/1/2021	Carrie Austin, an alderman, was indicted on charges of federal bribery and making false statements to an FBI agent, while Chester Wilson, Austin's chief of staff, was	

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indicted on charges of federal ' bribery and theft of government funds. The charges against Austin and Wilson allege that each were provided with personal benefits by the owner of the construction company and other contractors in an effort to influence them in their official capacities, and that

Wilson engaged in a separate scheme to purchase Supplemental Nutrition Assistance Program (SNAP) benefits at a discount despite the fact that he is ineligible for SNAP benefits due to his City of Chicago salary

## **B. SYNOPSES AND RESULTS OF ADMINISTRATIVE APPEALS, GRIEVANCES, OR OTHER ACTIONS**

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

### 1. Solicitation and Acceptance of a Bribe (#19-1282)

As reported in the first quarter of 2021, an OIG investigation established that a Department of Streets and Sanitation (DSS) sanitation laborer solicited and accepted a monetary bribe to collect and carry away a homeowner's garbage. OIG recommended that DSS discharge the laborer and refer them for placement on the ineligible for rehire list maintained by the Department of Human Resources (DHR). DSS agreed with OIG's recommendation and discharged the employee. The laborer appealed the termination. Before the matter went to an administrative hearing, a settlement was reached whereby it was agreed that the employee would serve a 29-day suspension and return to work with no back-pay.

### 2. Falsification of Trainings Records, Failure to Follow Safety Protocols, Incompetence, and False Statements (#19-0791)

As reported in the fourth quarter of 2020, an OIG investigation established that four Chicago Fire Department (CFD) members, while assigned to the District 3 Airport Rescue and Firefighting (ARFF) program, failed to appropriately supervise and manage the training and staffing of CFD crash rigs at O'Hare International and Midway International airports and ultimately falsified

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training and staffing records. In part, OIG's investigation established that a former District 3 training instructor reviewed and approved the falsified Apparatus Training Log for a CFD lieutenant without first verifying the information. OIG's investigation also established that a lieutenant completed and signed a falsified Apparatus Training Log when the lieutenant detailed 13 trainings that had not occurred and forged the signature of a CFD captain, who did not authorize such signature, and did not train the lieutenant on the listed dates. The lieutenant forged the captain's signature in the presence of the former District 3 training instructor who approved the falsified training log. The falsified training entries served as a verification that the lieutenant received the required High Reach Extendable Turret (HRET) training hours and prompted the former District 3 training instructor to conduct a final evaluation for the purposes of issuing the HRET certification. The lieutenant subsequently worked on HRET vehicles on 17 days when the lieutenant was not qualified to

operate such vehicles.

OIG recommended that CFD discharge all four CFD members and refer them for placement on the ineligible for rehire list maintained by DHR. In response, CFD agreed that the evidence established the members' violations and discharged three of the four members. The former District 3 assistant deputy fire commissioner retired prior to the issuance of OIG's recommendation and CFD was unable to implement the recommended discipline.

In December 2020, the Chicago Firefighters Union, Local No. 2, filed grievances on behalf of both the former District 3 training instructor and the lieutenant. In February 2021, the former training instructor filed a lawsuit in the Circuit Court of Cook County alleging that the City had retaliated against the training instructor for making allegedly protected complaints in violation of the Illinois Whistleblower Act. In August 2021, the City reinstated the former training instructor and the lieutenant pursuant to a settlement agreement. Neither were entitled to backpay for the period between their termination date and reinstatement date, and both agreed that for the remainder of their CFD employment they would not request or seek a transfer nor accept any assignment in District 3 or at either Midway or O'Hare airports. Furthermore, the settlement agreement stipulated that the former training instructor agree that the settlement constituted the final and total settlement and release of all claims, arising either directly or indirectly out of the incidents relating to the complaint in the lawsuit.

### 3. Bribery and Preferential Treatment (#17-0519)

As reported in the third quarter of 2020, an OIG investigation established that a Chicago Department of Aviation (CDA) deputy commissioner, along with the co-president and a strategic account manager of a global plumbing manufacturing company, engaged in a bribery scheme to circumvent the City's procurement procedures. In exchange for the deputy commissioner's influence and assistance in ensuring that CDA continued and increased its use of the plumbing manufacturer's fixtures and supplies in O'Hare International Airport, the strategic account manager, with the knowledge and support of the co-president, provided the deputy commissioner and their associates with numerous gifts paid for by the plumbing manufacturer valued in excess of \$20,000, including over thirty complimentary tickets to local sporting events, dozens of free meals and alcoholic beverages, golf outings, and complimentary trips to Arizona in

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2016, 2017, and 2018 for Cubs Spring Training. CDA airport manager A also assisted the strategic account manager by giving preferential treatment to the plumbing manufacturer in exchange for free meals and Cubs playoff tickets.

As a result of the aid from the deputy commissioner and airport manager A, CDA installed the plumbing manufacturer's then newly released combination sink, soap dispenser, and hand dryer in various mother's rooms and restrooms in the terminals as well as in the vehicle services facility at O'Hare International Airport. The strategic account manager also provided numerous complimentary trips, meals, and tickets to several local politicians and public employees (including a former Cook County commissioner and the commissioner's chief of staff) introduced by the CDA deputy commissioner, in an attempt to garner additional business opportunities for the plumbing manufacturer.

Because the deputy commissioner retired before the completion of OIG's investigation, OIG recommended that CDA issue a formal determination on the sustained violations and refer the deputy commissioner for placement on the ineligible for rehire list maintained by DHR. OIG also recommended that CDA discharge airport manager A. In response,

CDA concurred with OIG's sustained findings and placed the OIG report in the deputy commissioner's personnel file. CDA agreed that airport manager A should be discharged for the sustained violations, however, airport manager A resigned prior to discharge. CDA referred both the deputy commissioner and airport manager A for placement on the ineligible for rehire list.

Finally, OIG recommended that the Department of Procurement Services (DPS) debar the plumbing manufacturer and prohibit all City vendors from utilizing the plumbing manufacturer's products in the fulfillment of a City contract. In response, DPS notified OIG that it had entered into a settlement agreement with the plumbing manufacturer which provided, among other things, that the plumbing manufacturer would 1) pay the City a settlement amount of \$150,000; 2) conduct integrity monitoring by hiring in-house counsel to act as a compliance officer to ensure the plumbing manufacturer's compliance with all City ordinances, rules, and regulations; and 3) submit compliance reports to the City for calendar years 2020 and 2021, detailing the plumbing manufacturer's steps in implementing a compliance program as well as any other recommendations by the compliance officer.

### C. RECOVERIES

This quarter, there was one report of a financial recovery related to an OIG investigation. TABLE #10 -

#### OVERVIEW OF COST RECOVERY ACTIONS

OIG Case Number	Date	Source	Amount
17-0519	9/1/2021	Restitution to the City of Chicago	\$150,000

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### V. AUDITS AND FOLLOW-UPS

In addition to confidential disciplinary investigations, the Audit and Program Review (APR) section 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 seven reports APR released this quarter.

1. Department of Human Resources Employee Performance Evaluation Audit Follow-up (#21-0724)<sup>31</sup>

OIG followed up on its October 2020 audit of the Department of Human Resources' (DHR) management of the City's employee performance evaluation process. Based on the Department's responses, OIG concluded that the Department partially implemented two, and did not implement four of the six corrective actions related to the audit findings.

The purpose of the 2020 audit was to determine whether DHR ensured that City departments evaluated their employees as required by its Personnel Rules, and, if so, whether the evaluation process aligned with national best practices. Our audit found that DHR did not ensure that departments evaluated all employees or clearly define evaluation roles and responsibilities. As a result, 13 departments-comprising more than 6,000 City employees-reported they did not conduct annual performance evaluations of all of their employees, and another 7 City departments-comprising more than 10,000

employees-reported they did not conduct any performance evaluations whatsoever.

Based on the results of the audit, OIG recommended that DHR develop a Citywide performance evaluation system with standardized procedures, conduct a staffing assessment to determine the number of staff needed to administer this system, consider implementing an automated evaluation process, revise Personnel Rule XIV to clearly define performance evaluation expectations and responsibilities, and report on departmental compliance to the Mayor's Office. Our follow-up found that the Department has identified ways to use existing City data systems to monitor departments' completion of annual evaluations, but has not yet created or implemented a Citywide evaluation policy. The Department attributed this to technical issues and operational changes in response to COVID-19, and stated it intends to issue a policy by the end of 2021. We urge the Department to fully implement the audit's recommendations.

<sup>31</sup> Published July 13, 2021. See <https://igchicago.org/2021/07/13/departments-of-human-resources-employee-performance-evaluation-audit-follow-up/>.

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#### 2. Department of Streets and Sanitation Weed-Cutting Program Audit Follow-up (#21-0446)<sup>32</sup>

OIG followed up on its July 2020 Audit of the Department of Streets and Sanitation's (DSS) weed-cutting program. Based on the Department's responses, OIG concluded that DSS had fully implemented one of seven corrective actions related to the audit findings, partially implemented one, and had not implemented five.

The purpose of the July 2020 audit was to determine whether DSS met its goals of mowing all City-owned vacant land at least 4 times during the growing season, and addressed all overgrown weed complaints within 42 days. Our audit found that DSS did not have a complete or accurate list of City-owned vacant lots, therefore the Department could not ensure that City-owned vacant lots were cut at least four times per year. Without an accurate list, ward superintendents often entered citations into the Mobile Electronic Ticketing System (METS) for City-owned properties, leaving it up to the Department of Law (DOL) to review and reject these erroneous charges. In addition, DSS staff resolved complaints in a variety of ways, but flaws in the Department's data system made it difficult to determine the specifics of any particular closed-out complaint work order. Therefore, DSS could not determine if it addressed weed complaints in a timely manner.

Based on the results of the audit, OIG recommended that DSS work with the Department of Planning and Development (DPD) and DOL to compile a complete and accurate inventory of vacant City-owned properties, then provide this inventory to weed-cutting contractors for management. We further recommended that ward superintendents be responsible only for identifying sanitation nuisances in their wards and responding to complaints. Next, we recommended that DSS develop and clearly communicate to staff and contractors performance-based weed cutting goals. Lastly, we recommended that DSS improve its data entry practices to ensure it captures all the information necessary to assess its weed-cutting performance. In its response, DSS described corrective actions it would take.

Based on the Department's responses, OIG concluded that DSS had,

- developed and communicated performance-based goals for the weed-cutting process, complaint response, and management of City-owned land; and
- begun to actively work with DPD to compile a more accurate inventory of City-owned property.

To fully satisfy the audit's recommendations, DSS should implement changes for ward superintendents' responsibilities, begin using a route planning tool to optimize routes, address data quality issues in Salesforce, and better link data between the different systems utilized to track weed cutting.

" Published July 29, 2021. See <https://igchicago.org/2021/07/29/department-of-streets-and-sanitation-weed-cutting-program-audit-follow-up/>

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### 3. Chicago Low-Income Housing Trust Fund Housing Quality Inspections Audit Follow-up (#21-0444)<sup>33</sup>

OIG followed up on its December 2019 Chicago Low-Income Housing Trust Fund Housing Quality Inspections Audit. Based on the Trust Fund's responses, OIG concluded that the Trust Fund fully implemented three of fourteen corrective actions related to the audit findings, substantially implemented two, partially implemented seven, and had not implemented two.

The purpose of the 2019 audit was to determine if the Trust Fund met its mission of providing "secure, safe, and sound" housing by ensuring that RSP properties,

- received their required annual Housing Quality Standards (HQS) inspections;
- had evidence of a lead safe housing certificate in their contracts;
- came into compliance after the discovery of housing deficiencies, including serious health and safety risks; and
- addressed unresolved Chicago Building Code violations.

Our audit found that in 2017, the Trust Fund did not ensure all properties met housing quality standards. The Trust Fund subsidized properties with Chicago Building Code violations and other serious housing quality deficiencies, had a payment system that inadequately protected against potential fraud and errors, paid properties with incomplete contract documentation, and published inaccurate and incomplete quarterly reports from 2014 through 2018.

Our follow-up found that the Trust Fund has partially implemented corrective actions related to inspection compliance tracking, payments, and record-keeping. The Trust Fund hired a new vendor to conduct housing inspections, and another to design an electronic portal that integrates its contract management and subsidy request systems. The Trust Fund has not completed the transition away from a manually updated spreadsheet, but expects to after it has fully implemented new software in the third quarter of 2021. The Trust Fund cancelled 2020 HQS inspections due to the COVID-19 pandemic; it resumed in-person inspections in April 2021.

We urge the Trust Fund to fully implement an electronic system that allows it to actively monitor inspection and contract compliance, write instructions for how to identify building code violations, transition away from its manually updated

spreadsheet, and implement controls to ensure accurate payments.

<sup>34</sup> Published July 7, 2021. See <https://igchicago.org/2021/07/07/chicago-low-income-housing-trust-fund-housing-quahntynnspections-audit-folloyp/>.

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4. Chicago Department of Transportation Commercial Driveway Billing Audit Second Follow-up (#21-0399)

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OIG completed a second follow-up to its July 2019 audit of the Chicago Department of Transportation's (CDOT) billing process for commercial driveway permit annual fees. The purpose of the 2019 audit was to determine whether CDOT accurately and completely billed commercial property owners for driveways that use the public way. Our audit found that the Department either did not bill, or inaccurately billed, an estimated 6,713 permit holders, had no confidence that all relevant driveways were recorded in its driveway permit system, and did not actively pursue payment for driveway permit fees that were past due.

OIG recommended several steps that CDOT should take to correct data problems hampering its billing operations and to prevent such problems in the future. Furthermore, we recommended that CDOT collaborate with other departments to include driveway permit fees in the City's standardized debt collection process.

In February 2020, OIG inquired about the status of corrective actions taken by CDOT to correct data problems and collect debt. Based on CDOT's follow-up response, OIG concluded that CDOT had partially implemented corrective actions. In March 2021, OIG inquired about the status of corrective actions again. Based on CDOT's second follow-up response, OIG concludes that CDOT still has only partially implemented corrective actions. While the department has migrated data to IPS and created internal controls to prevent future inaccuracies and monitor at-risk permits, CDOT still has not corrected all inaccurate permit records, identified undocumented driveways, credited and reimbursed overbilled accounts, nor pursued driveway debt. Many of the remaining corrective actions are contingent on the correction of inaccurate permit records. Until then, the City will continue to experience revenue loss.

5. Follow-up on Audit of Delays in Providing Notice of Sanitation Code Violations (#21-0229)<sup>35</sup>

OIG completed a follow-up to its 2019 audit of the DOL's delay in providing sanitation violation notifications. In the 2019 audit, OIG found that DOL notified property owners an average of 289 days-more than 9 months-after the alleged violation.

Based on the results of the audit, OIG recommended that DOL work with DSS to set a target for the maximum number of days from violation to notification and implement performance monitoring. OIG further recommended ways for DOL to address its backlog of violations, including hiring temporary staff or forgiving older violations. In its response to the audit,

DOL stated that OIG's recommendations were "unfeasible" and did not commit to implementing any of them.

<sup>3/1</sup> Published August 5, 2021 See <https://igchicago.org/2021/08/05/chicago-department-of-transportation->

<https://igchicago.org/2021/08/05/chicago-department-of-transportation->commercial-driveway-billing-audit-second-follow-up/>.

Published July 29, 2021 See <https://igchicago.org/2021/07/29/follow-up-on-audit-of-delays-in-providing-notifications-code-violations/>

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In February 2021, OIG inquired about corrective actions taken by DOL in response to the audit. Based on the Department's follow-up response, OIG concludes that DOL has not implemented any corrective actions. Specifically, DOL has not developed a target or goal for the time to notification and has not implemented performance monitoring. Similar to its response to the audit, DOL again asserts that OIG's recommendations are not feasible.

#### 6. Audit of the Municipal Depository Designation Process (#20-1024)<sup>36</sup>

OIG conducted an audit of the Department of Finance's (DOF) administration of the process for designating municipal depositories. Banks designated as depositories hold and pay interest on funds deposited by the City and the Chicago Board of Education, essentially serving as the City's checking accounts. The objectives of the audit were to determine if DOF ensured that banks applying for designation submit the required information, and whether the designation process serves the City's goal of partnering with institutions that not only have the capacity to fulfill its banking needs, but also provide financial services to Chicago communities in an inclusive and equitable manner.

OIG concluded that, although DOF ensured that banks submitted all documentation required by the RFP, it did not evaluate whether the banks provided inclusive and equitable financial services throughout Chicago. Without undertaking a substantive evaluation of each bank seeking designation, DOF could not identify demographic disparities in banking activity. Banks may then continue to lend inequitably across Chicago while the City continues to partner with them.

OIG also found that DOF, City Council, and the Treasurer's Office have not coordinated their efforts in the municipal depository designation process to achieve the City's objective of encouraging equitable banking practices. The three entities largely acted in isolation, and Council designated depositories infrequently. This lack of coordination hindered meaningful discussion of alternative banking options that may better align with the City's equitable banking goals.

OIG recommended that DOF, in collaboration with City Council's Committee on Finance, develop and implement a process to evaluate banks' lending and deposit records for equitable financial services provision. This process should include provisions related to sharing evaluation results with Council and applicant banks. We also recommended that DOF collaborate with Council and the Treasurer's Office to develop a coordinated municipal depository designation process that aligns with the City's equitable banking goals and allows the City to deposit public funds with banks that share and live up to those goals.

In response to our audit findings and recommendations, DOF stated that it is working with the Treasurer's Office and City Council committees to determine the information it will request and review from banks in the future, DOF also stated that, along with the Treasurer's Office, it is updating the 2022 RFP process in a manner compliant with applicable law and has committed to forming an evaluation committee to ensure banks have met the requirements. Finally, DOF

<sup>36</sup> Published August 31, 2021 See <https://igchicago.org/2021/08/31/audit-of-the-municipal-depository-designation-process/>

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stated its commitment to promoting equitable lending opportunities across Chicago communities and expressed its perspective that municipal depositories may not be the best vehicle for achieving equitable lending goals. It has formed a task force along with the Treasurer's Office, State Treasurer, and banking institutions to explore alternative solutions.

7. Audit of the Public Building Commission's Administration of Building Commissioning (#20-0830)<sup>37</sup>

OIG conducted an audit of the Public Building Commission of Chicago's (PBC) administration of building commissioning required by the Chicago Energy Conservation Code. Building commissioning is the process of documenting and verifying how buildings' mechanical systems are designed, installed, and tested to meet their owners' specific needs. The objective of the audit was to determine whether PBC ensured that all required building commissioning documentation is developed and provided to its clients.

OIG found that commissioning teams created reasonably complete documentation for four of the five projects we reviewed. However, this commissioning documentation was not always accessible to building maintenance staff. Staff from all five projects stated they were still waiting to receive complete commissioning documents but believed the trainings they attended were adequate to operate and maintain their buildings' systems.

OIG recommended that PBC define, document, and implement a process for ensuring that all projects subject to the Chicago Energy Conservation Code are fully commissioned, collecting all required commissioning documentation, and providing each document to the client agency within its specified time frame. We also recommended PBC follow up with building maintenance staff at recently commissioned projects and ensure they can access the commissioning documentation they need. PBC agreed with our recommendations and said it would advise its clients of commissioning requirements, ensure commissioning documents are provided on time and that staff have access to them, and work to resolve building issues that maintenance staff have identified.

<sup>37</sup> Published September 23, 2021 See <https://igchicago.org/2021/09/23/audit-of-the-public-building-commissioning-administration-of-building-commissioning/>

## 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 has not completed any advisories or notifications this quarter.

## 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 were two additional reports.

### 1. APR 2022 Draft Audit Plan<sup>38</sup>

On August 26, 2022, APR's 2022 Draft Audit Plan was posted for public comment. The Draft Audit Plan includes information on audits that OIG is currently considering for 2022, follow-up audits that are scheduled to occur, ongoing projects, and audits completed year to date. OIG is soliciting comments from City Council, City Hall, and the public until October 15th. OIG will consider all comments in finalizing its 2022 Audit Plan. The Draft Audit Plan sets forth intended subjects for audit but will not provide an order of priority. Work contemplated by the Audit Plan will remain fluid, with audits added and adjusted according to a variety of factors such as new events and information as well as resources available.

### 2. Procurement Reform Task Force

Mayor Rahm Emanuel convened the Chicago Procurement Reform Task Force (PRTF) on May 27, 2015, to identify opportunities for the City and its sister agencies (collectively, the Participating Members) to implement best practices for awarding, managing, and overseeing public contracts. On November 17, 2015, PRTF reported its findings and made recommendations grouped into five categories representing the essential principles of government procurement: competition, efficiency, transparency, integrity, and uniformity. Since then, in keeping with the terms of the intergovernmental agreement that formed PRTF and its corresponding ordinance, a committee of Participating Members has issued 11 quarterly and 4 annual reports, and OIG has issued 4 reports assessing the progress toward implementing the task force recommendations.

In March 2021, OIG and the Department of Procurement Services (DPS) proposed to the Mayor's Office that because the purposes of the PRTF reporting cycle have largely been achieved, the City should consider amending the intergovernmental agreement and ordinance to require a final consolidated report declaring a refreshed commitment to, and setting a calendar for, implementation of the remaining recommendations. The Mayor's Office indicated it was open to

<sup>38</sup> Published August 26, 2021 See <https://igchicago.org/wp-content/uploads/2021/08/2022-APR-Plar.-Draft-.pdf>

and OIG subject to the existing reporting schedule.

Under that schedule, OIG anticipated publishing its fifth annual PRTF Progress Report during the second quarter of 2021. The function of OIG's annual progress report, however, is to respond to the Annual Report issued by the committee of Participating Members. In early July, before publishing our 2021 Second Quarter Report, OIG sent an inquiry to the committee regarding the status of the 2020 Annual Report. A committee spokesperson provided the following statement, which OIG included in its 2021 Second Quarter Report:

*The members of the PRTF are committed to ongoing efforts of transparency and efficiency to ensure the inclusion of firms at all levels as pandemic-related issues impacted the operations of all organizations. The PRTF members worked to continue to advance PRTF recommendations, while also recognizing challenges and opportunities and focusing on the commitment to foster economic recovery from COVID-19 that is as inclusive as possible. The PRTF anticipates issuing the 2020 Annual Report within the coming weeks.*

The committee issued its 2020 Annual Report on October 14, 2021. Because the report was not issued during the third quarter, we do not address its substance here. We will do so in OIG's 2021 Fourth Quarter Report, which we will issue on January 15, 2022.

## VIII. PUBLIC SAFETY

The Public Safety section 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, as well as inspections of closed disciplinary investigations conducted by COPA and CPD's Bureau of Internal Affairs (BIA).

### A. EVALUATIONS AND REVIEWS

The Public Safety section conducts program and systems-focused evaluations and reviews of CPD, COPA, and the Police Board. Based on these audit-based inquiries, OIG makes recommendations to improve the policies, procedures, and practices of those entities. The following summarizes four Public Safety section reports released this quarter.

1. The Chicago Police Department's Use of ShotSpotter Technology (#21-0707)<sup>39</sup>

The Public Safety section conducted an inquiry into CPD's use of ShotSpotter acoustic gunshot detection technology and CPD's response to ShotSpotter alert notifications. OIG analyzed data collected by CPD and the City of Chicago Office of Emergency Management and Communications (OEMC) regarding all ShotSpotter alert notifications that occurred between January 1, 2020 and May 31, 2021, and investigatory stops confirmed to be associated with CPD's response to a ShotSpotter alert.

In its report, OIG detailed ShotSpotter's functionality and provided descriptive statistics regarding law enforcement activity related to CPD's response to ShotSpotter alerts. OIG did not issue recommendations associated with this descriptive data; OIG issued its analysis of the outcomes of ShotSpotter alerts to provide the public and City government officials to the extent feasible given the quality of OEMC and CPD's data with clear and accurate information regarding CPD's use of ShotSpotter technology.

The City's three-year contract with ShotSpotter began on August 20, 2018 through August 19, 2021, at a cost of \$33 million. In November 2020, well before the end of the contract term, CPD requested an extension of the contract and in December 2020, the City exercised an option to extend it, setting a new expiration date for August 19, 2023. In March 2021, CPD requested approval for an annual 5% increase in the cost per square mile of the contract.

OIG's descriptive analysis of OEMC data and investigatory stop report (ISR) data collected for ShotSpotter alert incidents that occurred between January 1, 2020 and May 31, 2021, revealed the following:

Published August 24, 2021 See <https://igchicago.org/wp-content/uploads/2021/08/Chicago-Police-Department-Use-of-ShotSpotter-Technology.pdf>

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- A total of 50,176 ShotSpotter alerts were confirmed as probable gunshots by ShotSpotter, issued an event number—a unique record identification number assigned to distinct "events" of police activity—and dispatched by OEMC; each of these resulted in a CPD response to the location reported by the ShotSpotter application.

- Of the 50,176 confirmed and dispatched ShotSpotter alerts, 41,830 report a disposition - the outcome of the police response to an incident. A total of 4,556 of those 41,830 dispositions indicate that evidence of a gun-related criminal offense was found, representing 9.1% of CPD responses to ShotSpotter alerts.
- Among the 50,176 confirmed and dispatched ShotSpotter alerts, a total of 1,056 share their event number with at least one ISR, indicating that a documented investigatory stop was a direct result of a particular ShotSpotter alert. That is, at least one investigatory stop is documented under a matching event number in 2.1% of all CPD responses to ShotSpotter alerts. Some of those events are also among those with dispositions indicating that evidence of a gun-related criminal offense was found, where an investigatory stop might have been among the steps which developed evidence of a gun-related criminal offense.

Through a separate keyword search analysis of all ISR narratives within the analysis period, OIG identified an additional 1,366 investigatory stops as potentially associated with ShotSpotter alerts whose event number did not match any of the 50,176 confirmed and dispatched ShotSpotter alerts. OIG's review of a sample of these ISRs indicated that many of these keyword search "hits" were in narratives referring to the general volume of ShotSpotter alerts in a given area rather than a response to a specific ShotSpotter alert.

OIG concluded from its analysis that CPD responses to ShotSpotter alerts rarely produce documented evidence of a gun-related crime, investigatory stop, or recovery of a firearm. Additionally, OIG identified evidence that the introduction of ShotSpotter technology in Chicago has changed the way some CPD members perceive and interact with individuals present in areas where ShotSpotter alerts are frequent.

## 2. Follow-Up: Review of the Chicago Police Department's Management and Production of Records (#21-0579)<sup>TM</sup>

The Public Safety section completed a follow-up to its June 2020 review of CPD's management and production of records. Based on CPD's responses, OIG concluded that CPD has undertaken almost no corrective actions. As a result, CPD's ability to meaningfully ensure that it is fulfilling all of its constitutional and legal obligations to produce all relevant records for criminal and civil litigation remains seriously impaired.

The purpose of OIG's 2020 review was to determine how CPD managed and produced records responsive to criminal and civil litigation and to identify risk areas within those processes. OIG

*"■ Published September 16, 2021. See <https://igchicago.org/wp-content/uploads/2021/09/CPD-Rec.ords-Management-Follow-Up.pdf>*

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found that CPD could not ensure that it was producing all relevant records in its possession as required by constitutional and legal mandates. Specifically, CPD personnel responsible for relevant duties had no standardized or effective means to identify the totality of records responsive to any specific incident, individual, request, prosecution, or lawsuit. Various stakeholders-including prosecutors, defense attorneys, private attorneys, and judges-told OIG that CPD's practices around record production were ineffective and lacked clarity.

Based on the findings of its 2020 review, OIG recommended that CPD undertake a comprehensive staffing and resource

analysis for its records management and production functions; charge a single unit with responsibility for records management across the Department; and develop policies, procedures, and trainings to ensure its ability to produce all responsive records, to include developing a directive outlining responsibilities, developing trainings for relevant personnel, and ensuring all records productions are tracked. OIG also recommended that CPD audit and evaluate its records management and production processes to ensure that records are stored, managed, and produced in accordance with recommended policies, improve transparency with stakeholders, develop better search functions within its Citizen and Law Enforcement Analysis and Reporting (CLEAR) system, and develop and implement a comprehensive, automated records management system. Finally, OIG recommended that the development of a new system consider the management of older records, especially paper records, already in CPD's possession. In its response to OIG's recommendations, CPD described corrective actions it would take.

In June 2021, OIG inquired about the status of corrective actions taken by CPD in response to the 2020 recommendations. Based on CPD's response, OIG concludes that CPD has implemented very few corrective measures. Although CPD has developed better search functions within its CLEAR system and has, on an ad hoc basis, converted some paper files into electronic formats, CPD has yet to implement most of the improvements to which it committed. Specifically, CPD has yet to conduct a comprehensive staffing and resource analysis, develop and implement standard operating procedures for the management and production of records, or develop necessary trainings. If fully and properly implemented, the improvements to which CPD committed would represent significant improvements in its operations and its ability to meet its legal and constitutional obligations.

### 3. Evaluation of the Demographic Impacts of the Chicago Police Department's Hiring Process (ffIS-OSeO)"<sup>41</sup>

The Public Safety section, including its Diversity, Equity, and Inclusion Director, and together with OIG's Compliance Unit, conducted an evaluation of the demographic impacts of CPD's multistage hiring process. Those wishing to become a Police Officer must complete an application with the City and successfully navigate numerous stages designed to evaluate a candidate's cognitive ability, physical fitness, personal background, physical and mental health, and other predictors of job performance. By the end of this year-and-a-half long process, a narrowed pool

<sup>41</sup> Published July 3, 2021. See. <https://iikchic.iRO.org/wp-content/uploads/2021/07/OIG-Evaluation-of-the-Demographic-Impacts-of-the-Chicago-Police-Department's-Hiring-Process.pdf>

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of individuals is invited to CPD's Academy as recruits. After successfully completing the Academy in six months, new CPD members spend twelve months as Probationary Police Officers, to complete an 18-month total probationary period. The objectives of this evaluation were to determine whether there are patterns in attrition rates for different demographic groups in the hiring process and which specific stages of the hiring process most impact the demographic composition of the candidate pool. Additionally, OIG assessed whether CPD's applicant data allowed for unique applicants to be tracked throughout the hiring process; the time it took applicants to complete the hiring process; and the race, gender, preference status, and neighborhood of residence for candidates whose applications succeed through the entire hiring process and were therefore invited to enroll in CPD's Academy.

OIG found that Black candidates, while comprising 37% of the initial applicant pool, comprised just 18% of the pool of candidates invited to the Academy. Conversely, Asian, Hispanic, and White candidates increased in their proportion of the applicant pool by the end of the hiring process. In addition, OIG found that female candidates submitted fewer applications

than male candidates at the start of the hiring process, comprising 34% of the initial pool. The proportion of female applicants decreased throughout the process, such that female candidates comprised just 27% of those invited to the Academy.

OIG determined that the standardized test (Chicago Police Officer Exam), the physical fitness test (Peace Officer Wellness Evaluation Report), and the background investigation were the stages in the process that most decreased the representation of Black candidates in the candidate pool. Black male candidates experienced the highest attrition rate in the background investigation stage relative to all other candidates, while Black female candidates experienced the highest attrition rate in the physical fitness test stage relative to all other candidates. Additionally, the attrition rate in the physical fitness test was higher for female candidates of all races compared to their male counterparts.

In examining the reasons for candidate attrition evident from available applicant data, OIG concluded that higher no-show rates and higher failure rates for Black candidates compared to other racial/ethnic groups drove the disproportionately high attrition rates in the standardized test and physical fitness test stages for Black candidates. In addition, in the physical fitness test, female applicants had higher no-show rates than their male counterparts, and Black female, Hispanic female, and White female candidates had higher failure rates than their male counterparts, contributing to the high female attrition at this stage. OIG further found that CPD's elimination of its standardized test payment requirement in 2016 reduced, but did not entirely eliminate, the disproportionate attrition of Black candidates at this stage by increasing test turnout.

OIG reviewed the employee data for candidates who successfully completed the hiring process and entered the Academy. The available evidence suggests that CPD's process preferences for applicants who are veterans of the U.S. Armed Forces and graduates of Chicago Public Schools high schools seemed to benefit non-White applicants, potentially improving the racial/ethnic diversity of the pool of recruits; the veterans status seemed to benefit male candidates,

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potentially worsening the gender imbalance in the Academy. Moreover, OIG found that Academy recruits were clustered by neighborhood. Poorly represented geographic areas of the city may warrant the targeting and tailoring of future CPD recruitment efforts.

In the course of this evaluation, OIG used data from multiple sources including City of Chicago Department of Human Resources (DHR) and CPD Human Resources (CPD HR), and found that individual applicants are not assigned unique individual ID numbers. This means, for example, that DHR and CPD HR cannot identify when a single individual has submitted multiple applications and cannot track patterns in candidate attrition by education level or neighborhood of residence through each stage of the hiring process. This limits the scope of this analysis as well as any analysis CPD or DHR may wish to undertake. Additionally, OIG identified inconsistent labels and categories for demographic characteristics across data sources.

OIG recommended that CPD evaluate the stages of its hiring process for biases that have most contributed to the disproportionate attrition of Black and female candidates, and that CPD should assess whether the tests and standards with inequitable outcomes are valid predictors of high job performance, and if not, what modifications might be appropriate. Furthermore, OIG recommended that CPD seek to remediate major drivers of attrition through targeted outreach to reduce no-shows and efforts to boost candidate preparedness.

CPD and the Office of Public Safety Administration (OPSA) responded jointly to the report and agreed with all 17 of OIG's recommendations. In their response letter, CPD and OPSA committed to several changes to their hiring process with expected implementation in the near term, -including a change such that "a candidate who does not successfully pass all components of the Pre-POWER test will no longer be automatically disqualified" and a commitment to "post more detail about the disqualifying standards in the background investigation process."

4. Chicago Police Department's Budget Explainer<sup>42</sup>

CPD is the City of Chicago's largest department, and a large percentage of the City's overall budget goes to fund CPD. The Public Safety section published a guide aiming to provide stakeholders and taxpayers with basic, foundational information about the City's Budget and Budget process, and how CPD's budget is built.

## B. INSPECTION OF CLOSED DISCIPLINARY INVESTIGATIONS

The Public Safety section 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

Published September 2, 2021 See <https://igchicago.org/wp-content/uploads/2021/09/Understanding-the-Chicago-Police-Departments-Budget.pdf>

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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.

Further, Paragraph 444 of the consent decree entered in *Illinois v. Chicago* requires the Public Safety section to review and analyze complaints of sexual misconduct by CPD members and to report on that analysis annually.

This quarter, the Inspections Unit examined 326 closed disciplinary cases and opened 21 for in-depth review.

#### TABLE #11 - DISCIPLINARY CASES REVIEWED

Agency	Cases Screened ,	Cases Opened,, ,	... A
BIA	185	14	
COPA	141	7	
Total	326	21	

#### RECOMMENDATIONS TO REOPEN CLOSED DISCIPLINARY INVESTIGATIONS

This quarter, OIG found that three COPA investigation and two BIA investigations contained deficiencies which materially

affected their outcome and recommended that they be reopened. One of those investigations and recommendations is detailed below. Additionally,

- OIG has not yet received a response from COPA to one recommendation made in the second quarter of 2021 and one recommendation made in the third quarter of 2021; OIG has not yet received a response from BIA to one recommendation made in the third quarter of 2021.
- OIG received a response to recommendations for two investigations made in the third quarter of 2021, which are still in the Command Channel Review process.
- BIA accepted two recommendations to reopen an investigation made in the second quarter of 2021. Those investigations remain open.

TABLE #12 - RESPONSES PENDING WITH AGENCIES

OIG Case Number	Investigating Agency	Date Recommendation ' Was Sent to Agency
21-0891	COPA	6/9/21
21-0567	BIA	7/29/21
21-0916	COPA	7/29/21

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OIG will publish further details on these investigations once the investigating agency has responded to our recommendations or once a final decision has been made by an agency.

1. Recommendation to Reopen to Correct Disciplinary History (#21-1386)

BIA investigated allegations that a CPD member responding to a 911 call for service regarding a mental health disturbance conducted an insufficient preliminary investigation into the caller's report that her son had committed arson. BIA sustained one allegation that the accused member violated CPD's Rule 5, which prohibits the failure to perform any duty, and recommended a one-day suspension.

OIG's review revealed that BIA's summary report of investigation contained an inaccurate statement regarding the accused member's disciplinary history, and indicated that BIA may have relied upon inaccurate information to determine its disciplinary recommendation. The BIA investigator wrote that they had "reviewed the complimentary and disciplinary history of [the accused member], and finds that [the accused member] is highly decorated and has never been the subject of a CR number during [their] tenure." However, the disciplinary history report for the accused member-which is included in BIA's electronic case file-confirms that the accused member has, in fact, been disciplined as a result of two prior complaint register (CR) investigations and three times as a result of a Summary Punishment Action Request within the time frame during which prior discipline may be considered for purposes of determining a disciplinary recommendation. OIG recommended that BIA reopen its investigation to correct the inaccuracies contained in the summary report of investigation and to ensure that the accurate disciplinary history of the accused field training officer was consulted in reaching a disciplinary recommendation.

BIA declined to reopen the investigation, but reported that the Chief of BIA would consider OIG's findings in finalizing the disciplinary recommendation. Information available in the electronic case management system indicates that the Chief of BIA ultimately increased the penalty for the sustained Rule 5 violation from a one-day suspension to a two-day suspension. The summary report of investigation included in the electronic case file has not been revised.

2. Recommendation to Reopen to Address Discrepancies Between the Evidentiary Record and BIA's Findings (#21-1318)

BIA investigated an incident that occurred in the early morning hours in a Chicago suburb, in which an off-duty CPD member drove their personal vehicle in the wrong lane and past two "Road Closed" signs before entering a construction site and lodging the vehicle on a rock. Members of a suburban police department responded. The investigative file included body-worn camera (BWC) footage from the on-scene members of the responding suburban police department. The assigned BIA investigator described the initial events as follows in the Investigative Closing Report:

"The CPD member was stuck on a large rock in the middle of a construction zone that was closed off to all traffic by several signs and barriers. When the suburban

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police department members asked for the Accused's Driver's License, the Accused refused to give it to the officer. A short time later, the Accused exited the vehicle in an unsteady manner. The Accused stumbled while standing next to his vehicle. While outside the vehicle, the Accused covertly showed his badge, placing it down by his thigh and let the suburban officer know he was a police officer."

BWC footage subsequently captured the accused CPD member undergoing Standardized Field Sobriety Testing. After administering an initial test, the suburban officer informed the CPD member that the result "wasn't great" and stated that the CPD member was putting him "in a bad spot." The CPD member repeatedly declined to undergo further Standardized Field Sobriety Testing and asked the suburban officer if the sergeant on-scene would "do him a solid." The footage captured the suburban sergeant stating, "You understand the position you're putting us in, right?" The suburban sergeant then added, "You know the age we live in, right? And you couldn't swing an Uber?" The CPD member can be heard apologizing before the footage cuts off. The CPD member was issued citations by the suburban department for Disobeying a Traffic Control Device and Driving in the Wrong Lane.

BIA reached findings of Not Sustained on allegations that the accused CPD member was intoxicated and attempted to use their position as a CPD member to avoid being investigated for driving under the influence (DUI) of alcohol. BIA's closing report did not contain any analysis regarding the finding for the allegation that the CPD member was intoxicated. Regarding the allegation that the CPD member attempted to use their position to avoid a DUI investigation, BIA concluded that it was unable to determine whether the CPD member's conduct actually influenced the suburban police department's investigation and reached a finding of Not Sustained.

OIG recommended that BIA reopen its investigation to include an analysis with respect to the allegation that the CPD member was intoxicated accounting for the fact that the CPD member exhibited indicia of intoxication, and consider the totality of the evidence concerning the allegation that the CPD member attempted to use their position to avoid a DUI investigation rather than resting its analysis on whether the member was successful in doing so. BIA concurred with OIG's recommendation and reopened the investigation. Upon reopening, BIA concluded that the accused CPD member was

intoxicated and did attempt to use their position to avoid a DUI investigation by suburban police officers. BIA sustained the corresponding allegations and recommended a 45-day suspension.

3. Recommendation to Reopen to Account for All Available Evidence (#21-0802)

COPA investigated allegations that a CPD member crashed their bike into a teenage boy and then used force against him. COPA administratively terminated the investigation, stating that it "was unable to locate evidence, including video, of [the] CPD altercation. Without a statement from [complainant], COPA cannot confirm the identity of the accused or the subject, nor does COPA have objective evidence of misconduct to proceed with an investigation."

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OIG, however, was able to locate BWC footage of the incident. OIG recommended that COPA reopen its investigation to determine whether it could proceed to findings, given the existence of evidence it originally failed to locate. COPA accepted OIG's recommendation and reopened the investigation. Following its reopening, COPA again administratively terminated the investigation, stating that it was unable to secure an affidavit from the complainant in support of the allegations and that, despite the video of the altercation identified by OIG, COPA did not believe there to be objective, verifiable evidence of the alleged misconduct which might have allowed it to proceed without an affidavit.

4. Recommendation to Reopen to Conduct an Analysis of Possible Violations (#21-0667)

BIA conducted an investigation into allegations that two CPD members made a false report and that they struck a complainant's daughter without justification. Each of the allegations made against the two accused members were Unfounded as BIA determined that available BWC footage did not support the allegations.

OIG's review of the evidentiary record revealed a foot pursuit and forced entry into the complainant's home. There was no reported analysis of whether those actions by the accused CPD members were improper. OIG recommended that BIA reopen the case to determine whether those actions constituted violations or to refer that determination to COPA, in whose jurisdiction allegations of improper searches and seizures fall. BIA declined, stating that it conducted a review of the investigation and added additional documents to the case file including a Case Incident Report and a Supplemental Report, but that "the additional review of this log number did not provide a basis for referral to another agency [COPA]."

5. Recommendation to Reopen to Account for All Possible Rule Violations (#21-0519)

A BIA investigation resulted in sustained allegations against a CPD Lieutenant related to improper timekeeping and overtime reports; BIA recommended a three-day suspension. OIG recommended that BIA reopen its investigation to consider whether the accused member having submitted inaccurate timekeeping and overtime records constituted violations of CPD's Rule 14, which prohibits the making of false reports. BIA declined to reopen its investigation, stating that "the word 'false' never appears in the report of the investigation."

6. Recommendation to Reopen to Correct Inconsistencies in Reported Findings and to Conduct a Proper Use of Force Analysis (#21-0405)

COPA initiated an investigation after a CPD probationary police officer discharged their firearm and fatally wounded an individual fleeing from CPD members during what purported to be an investigatory stop. During the course of its

investigation, COPA identified potential misconduct, served allegations against eight CPD members, and sustained several allegations related to the justification for the investigatory stop, failure to activate BWC, and improper communication

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between CPD members following the shooting. COPA concluded that the use of deadly force was within policy and served no allegations regarding the fatal shooting.

OIG reviewed COPA's investigation and identified two categories of deficiencies materially affecting its outcome: (1) inconsistencies within COPA's report on its findings for allegations regarding the justification for the investigatory stop and the failure to activate BWC<sup>43</sup>; and (2) an inadequate legal analysis of the use of deadly force which, as documented, did not demonstrate consideration of each of the elements required for a use of force analysis, as established by the relevant CPD policies.<sup>44</sup>

CPD's relevant policies in effect at the time of this incident require a multi-step analysis to determine whether a use of force was within policy. First, the use of force must be "objectively reasonable, necessary, and proportional in order to ensure the safety of a member or third person, stop an attack, make an arrest, control a subject, or prevent escape" (emphasis added).<sup>45</sup> One of the factors that may be considered in evaluating whether a use of force was objectively reasonable is whether the subject posed an "imminent threat to officers or others," as defined in the directive. To meet the requirement that force be necessary, a CPD member must only use the amount of force required under the circumstances to serve a lawful purpose. When considering whether use of force is proportional, the directive in effect at the time offers the following guidance:

Department members will use only the force that is proportional to the threat, actions, and level of resistance offered by a subject. This may include using greater force or a different type of force than that used by the subject. The greater the threat and the more likely that the threat will result in death or serious physical injury, the greater the level of force that may be necessary to overcome it. When or if the subject offers less resistance, however, the member will decrease the amount or type of force accordingly.

Determining what level of force is permissible (e.g. deadly force) requires an analysis of the level of resistance exhibited by the subject.<sup>46</sup> Broadly, these levels include cooperative person, resister, and assailant. The directive defines two types of assailants: those who pose an imminent threat and those who do not. A CPD member may only use deadly force on an assailant who poses an imminent threat.

COPA's documented legal analysis of the use of deadly force led to its conclusion that the shooting was in compliance with CPD policy. COPA's legal analysis is focused on an assessment of

<sup>43</sup> Specifically, with respect to certain allegations, COPA listed its findings as Sustained on some pages of its report

and Not Sustained or Unfounded on other pages

<sup>44</sup> The versions of CPD's relevant General Orders, G03-02 and G03-02-01, in effect on the date of the incident were

in effect as of October 16, 2017, and superseded by revised versions of the policies effective February 29, 2020. The current CPD directives governing use of force are General Order G03-02 De-Escalation, Response to Resistance, and Use of Force and General Order G03-02-01 Response to Resistance and Force Options, effective April 15, 2021

<sup>15</sup>G03-02 (October 16, 2017).

<sup>16</sup>G03-02 (October 16, 2017)

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the shooting according to the criteria defining an imminent threat. COPA found that the subject of the shooting, having found their path of flight from the CPD members blocked, placed their hand on a holstered firearm and then made an upward motion, which the shooting CPD member perceived as the subject unholstering the weapon. COPA concluded that, immediately prior to the subject's upward motion, the subject had "strongly" pulled away from officers and "swung at" another officer's arm. COPA characterized the subject as initially cooperative, but found that his conduct eventually rendered him an assailant. Further, COPA noted that the subject of the shooting was armed, and found that the subject had the "opportunity and ability to cause death or great bodily harm." COPA wrote that it was "objectively reasonable for [the shooting officer] to believe that [the subject] posed an imminent threat of death or great bodily harm to the officers and bystanders," and ultimately found that because the belief that the subject was an imminent threat was objectively reasonable, the use of deadly force was also objectively reasonable.

COPA's legal analysis, however, was incomplete; nowhere did COPA determine which definition of assailant might have applied to the subject, nor did it reach the questions of whether the shooting officer's use of deadly force was necessary and proportional, as required by CPD's policies.

OIG recommended that COPA reopen its investigation to resolve the inconsistencies in recorded findings and to conduct a complete and comprehensive legal analysis of the use of deadly force, to specifically include documented consideration of all the required elements of a use of force analysis established in CPD's policies, and a determination of whether and how the use of deadly force was necessary to serve a lawful purpose and proportional to the threat, actions, and level of resistance presented by the subject given the totality of the circumstances.

In response to OIG's recommendations, COPA corrected the internal inconsistencies in its recording of investigative findings, but declined to reopen the investigation to address the deficiencies in its legal analysis. In a position inconsistent with the applicable CPD policies, COPA asserted that an analysis of the necessity and proportionality of the use of deadly force was "subsumed into the determination" that the subject posed an imminent threat. COPA concluded that further discussion of the necessity and proportionality of the use of deadly force would change neither COPA's analysis nor conclusions.

In its response to OIG's recommendation, COPA wrote that "[w]hether, and to what extent, COPA conducts its review of the 'necessity' and 'proportionality' elements in the standard definition of 'Use of Force'...are matters within the Chief Administrator's discretion." OIG notes that a position that the applicability of CPD's policies to its members is within the discretion of COPA's Chief Administrator is contradicted by COPA's promulgated Rules and Regulations, which state that "COPA investigative activities will be conducted in accordance with...Department General Orders and Special Orders."

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7. Recommendation to Reopen to Consider All Material Evidence (#18-0369)

OIG reviewed an investigation of a fatal shooting by an off-duty CPD member. The Independent Police Review Authority (IPRA), COPA's predecessor agency, originally investigated the shooting and found the use of force to be within CPD's policy on use of force. Later, at the request of the family of the subject of the shooting, COPA conducted a review of IPRA's investigation and determined that it would not reinvestigate. In its subsequent, separate review, OIG determined that IPRA, and later COPA, failed to consider all material evidence, and recommended that COPA reopen the investigation to do so.

During its original investigation, IPRA failed to obtain available CPD reports related to the shooting, which documented statements made to investigating detectives by both the involved CPD member and a witness which were inconsistent with statements they made to IPRA. In the review of IPRA's investigation conducted at the request of the subject's family, COPA also failed to obtain those reports or to consider the impact of inconsistencies in the statements of the involved CPD member.

Having determined that there was material evidence, which was never reviewed by either IPRA or COPA, OIG recommended that the investigation be reopened. COPA declined, concluding that the never-considered evidence did not materially affect the outcome of IPRA's investigation.

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## IX. COMPLIANCE

The Compliance section provides guidance, training, and program recommendations to City departments on a broad and complex array of employment-related actions; monitors human resources activities which include hiring and promotion; performs legally-mandated and discretionary audits; reviews the City's hiring and employment practices to ensure compliance with the various City Hiring Plans<sup>7</sup> and publicly reports findings and analysis on diversity and inclusion issues.

### A. HIRING PROCESS REVIEWS

#### 1. Contacts by Hiring Departments

OIG tracks all reported or discovered instances where hiring departments contacted the Department of Human Resources (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.

During this quarter, OIG received three reports of direct contacts.

#### 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 one political contact:

- An alderman contacted DHR to inquire about the application status of a firefighter-EMT candidate.

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<sup>7</sup>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 "

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3. Exemptions

OIG tracks all reported or discovered Shakman Exempt appointments and modifications to the Exempt List on an ongoing basis. During this quarter, OIG received notification of 47 exempt appointments.

Additionally, during this quarter, OIG conducted an audit concerning Shakman Exempt Titles and ward superintendents.

a. Shakman Exempt Titles List Audit Concerning Ward Superintendents<sup>18</sup>

OIG conducted an audit to determine whether the ward superintendent position within the Department of Streets and Sanitation (DSS) met the legal standard to qualify for its current Shakman Exempt status. The City of Chicago is legally bound to comply with court-ordered Hiring Plans when undertaking employment actions, including hiring, promotions, and terminations. Chapter VIII of the City's General Hiring Plan excludes so-called "Shakman Exempt" positions from certain aspects of the otherwise applicable and legally-mandated selection processes and standards. Most notably, for present purposes, the Hiring Plan allows for the consideration of political reasons or factors when making hiring or termination decisions in Shakman Exempt positions. Outside of these specified Exempt positions, taking political affiliation into account in government hiring decisions generally is not permissible because it violates the First and Fourteenth Amendments of the United States Constitution, which guarantee citizens the right to political association and expression. Courts, however, have carved out an exception for government positions where political affiliation is a relevant qualification to job performance.

OIG concluded that the ward superintendent title does not meet the legal requirements for a Shakman Exempt designation and therefore should be subject to the standards and procedures, as well as political factor prohibitions, generally applicable under the City's Hiring Plan. Specifically, OIG found that the ward superintendent job description, the primary focus for analysis based on binding legal precedent, does not include inherent powers and responsibilities that support a determination that the position is Shakman Exempt. In addition, the ward superintendent's placement within the organizational structure of DSS, reporting to a non-Exempt position, undermines any assertion that the position involves policymaking or discretion for politically sensitive matters, as is required for Shakman Exempt status. OIG also found the actual day-to-day functions and responsibilities of the position—as described by a cross-section of ward superintendents assigned across the City—confirm the reliability and accuracy of the job description and do not involve political or policymaking duties or authority.

OIG recommended that DHR revoke the Shakman Exempt designation from the ward superintendent title, immediately remove all such positions from the Exempt Titles List, and conduct all future hires into the title in accordance with the process and procedures specified for Shakman covered positions under the City's Hiring Plan, including but not limited to: public

<sup>18</sup> Published July 14, 2021 See <https://igchicago.org/2021/07/14/shakman-exempt-titles-list-audit-concerning-ward-superintendents/>

prohibiting political factors and considerations from the selection process.

In response to OIG's audit findings and recommendations, DHR stated that it agreed with OIG's recommendations. However, in September 2021, DSS requested to keep the ward superintendent position on the Exempt List. DSS submitted the request to DHR, in accordance with the Hiring Plan, including a justification memo setting forth an updated job description for the ward superintendent title and emphasizing the policymaking role that the ward superintendent plays. Notably, the title will now report to another Shakman Exempt title. DHR approved the request and concluded that the position, as defined in the updated job description, qualifies for Shakman Exempt status under the policymaking standards that have been articulated in recent court decisions. Accordingly, DHR proposed modifications to the ward superintendent hiring process in the City's updated Hiring Plan.

#### 4. Senior Manager Hires

OIG reviews hires pursuant to Chapter VI covering the Senior Manager Hiring Process. During this quarter, OIG reviewed four Senior Manager hire packets.

Additionally, during this quarter DHR added one title to the Senior Manager hire list. The total number of Senior Manager titles is now 113.

#### 5. Written Rationale

When no consensus selection is reached during a consensus meeting, a written rationale must be provided to OIG for review.<sup>49</sup> During this 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). During this quarter, the City did not report any emergency appointments.

#### 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, 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.

<sup>49</sup> 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

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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.

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.<sup>51</sup> The table below details contracts and internship opportunities OIG reviewed this quarter.

TABLE #13 - CONTRACT AND INTERNSHIP OR VOLUNTEER OPPORTUNITY NOTIFICATIONS

<i>Contracting Department</i>	<i>Contractor, Agency, Program, or Other Organization</i>	<i>Duration of Contract/Agreement</i>
Buildings	Volunteer Intern	Ongoing
Family & Support Services	Sunbelt Staffing	Ongoing
Library	Volunteer	1 month
Public Health	Personal Services Contractor	12 months
Public Health	Sunbelt Staffing, LLC	12 months
Public Health	Sunbelt Staffing, LLC	12 months
Public Health	Sunbelt Staffing, LLC	12 months
Public Health	Sunbelt Staffing, LLC	12 months
Public Health	Sunbelt Staffing, LLC	34 weeks
Public Health	Sunbelt Staffing, LLC	180 days
Public Health	Sunbelt Staffing, LLC	12 months
Public Health	Sunbelt Staffing, LLC	48 weeks
Public Safety Administration	Professional Dynamic Network	6-9 months

Additionally, during the pandemic, the Chicago Department of Public Health has brought on temporary assistance through a contract with Sunbelt Staffing, LLC to help manage operations. The Department has requested extensions on many of these temporary engagements; some of these engagements will go past the current one-year limit that is in the City's Contractor Policy. Given that the pandemic is ongoing, DHR agreed to waive that one-year limitation and extend the agreements until December 31, 2021.

<sup>50</sup>Chapter X B.6 of the General Hiring Plan.

## B. HIRING PROCESS AUDITS

### 1. Modifications to Class Specifications,<sup>51</sup> 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 nine titles within the following departments: Aviation, Cultural Affairs and Special Events, Public Health, Public Safety Administration, and Water Management. OIG reviewed each of the proposed changes to minimum qualifications and had no objections.

Additionally, this quarter DHR convened the departments that employ the foreman of hoisting engineers title (Assets, Information, and Services, Streets and Sanitation, Transportation, and Water Management) to determine whether the position should require a crane license-a minimum qualification listed in the job description. The departments agreed that there is no need for a foreman to hold a crane operators license, as they are never actually operating the crane. Thus, the qualification was removed from the job description.

## 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.

## 3. Testing

The Hiring Plan requires that OIG conduct an audit of DHR test administrations and scoring each quarter. OIG previously suspended its audit of DHR test administrations due to the ongoing COVID-19 pandemic, but will resume this audit in a forthcoming quarter.

## 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: Assets, Information and Services; Aviation; Buildings; Streets and Sanitation; Transportation; Water Management; 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

<sup>51</sup> "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

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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.

This quarter, OIG completed an audit of hire packets for 30 hiring sequences completed across 12 departments during the first two quarters of 2021 (January 1, 2021, through June 30, 2021). The audit identified one error involving a missing referral list. In October 2020, the City contracted with Agile One to provide assistance with accelerated hiring within the Chicago Department of Public Health (CDPH) due to the COVID-19 pandemic. Agile One provided the City with contract recruiters to perform recruitment functions for CDPH hires. Contract recruiters received training on the City hiring processes and systems and were tasked with duties including screening applicants for minimum qualifications, providing notice of hiring activities, and onboarding selected candidates.

During the audit, OIG identified one error wherein a hire packet was missing the required referral list, a standard document in the hiring process that sets forth the candidates who meet the minimum qualifications for a position. OIG recommended that, going forward, DHR ensure that Agile One's Contract Recruiters create and maintain annotated referral and bid lists. In response, DHR agreed with OIG's recommendation and stated that the contract recruiters would add the missing referral and bid lists to previous hiring files.

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 30 hire packets this quarter and none 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 conducts audits of DOL hire packets on an ad hoc basis and will report on its next audit in a forthcoming quarter.

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.

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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. OIG previously suspended its quarterly audit of CPD assignment sequences due to the ongoing COVID-19 pandemic but will resume this audit in the fourth quarter.

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. OIG previously suspended its quarterly audit of CFD assignment sequences due to the ongoing COVID-19 pandemic, but will resume this audit in the fourth quarter.

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 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 two sets of interviews. The table below shows the breakdown of monitoring activity by department.<sup>52</sup>

TABLE #14 - OIG MONITORING ACTIVITIES THIS QUARTER

Department	Intake Meetings Monitored	Tests Monitored	Interview Sets Monitored	Consensus Meetings Monitored
Family & Support Services			1	
Emergency Management and Communications			1	

<sup>52</sup> If a department is not included in this table, OIG did not monitor any elements of that department's hiring sequence(s).

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10. Acting Up<sup>53</sup>

OIG audits the City's compliance with Chapter XI of the General Hiring Plan and the Acting Up Policy. This quarter, OIG received notice of eight DHR-approved waiver requests to the City's 90-Day Acting Up limit.<sup>54</sup>

TABLE #15 - ACTING UP WAIVERS THIS QUARTER

Department	Acting Position	Number of Employees	Date of Response	Expiration of Waiver
Transportation	Foreman of bricklayers	1	8/4/2021	90 days
Transportation	Foreman of carpenters	2	8/4/2021	90 days
Transportation	Foreman of B/S iron workers	1	8/4/2021	90 days
Water Management	Laborer of sub foreman	2	8/27/2021	90 days
Water Management	Foreman of water pipe construction	1	8/27/2021	90 days
Water Management	Operating engineer group A	1	8/27/2021	90 days

11. Arbitrations and Potential Resolution of Grievances by Settlement

Chapter XII.C.7 of the City's Hiring Plan requires OIG to audit grievance settlement decisions that may impact procedures governed by the Hiring Plan. This quarter, OIG received notice of one settlement agreement which resulted in employment actions from DHR.

## C. REPORTING OF OTHER OIG COMPLIANCE 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 received notice of one new escalation, and the review of the matter is still pending. OIG will report on its findings for the pending escalation and the Department's response in a future quarterly report.

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

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.

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### 2. Compliance Reviews

#### a. CPD Merit Selection Process

On December 10, 2019, CPD Interim Superintendent Charlie Beck announced that he was suspending all Merit Selection promotions during his tenure as interim superintendent after receiving negative feedback from many "discouraged and dissatisfied" members of the rank and file about the process. Further, he stated he would recommend that his permanent successor discontinue the merit promotion system and in the future hold promotional exams every two years.

As OIG is responsible for the monitoring and oversight of employment actions, including promotional processes, Superintendent David Brown informed OIG of CPD's intent to reactivate the Merit Selection process for the ranks of lieutenants and sergeants, on July 16, 2021, and September 3, 2021, respectively, citing the need to "provide a diverse workforce where traditional testing tools may have had an adverse impact."

On July 30, 2021, OIG responded to CPD's July 16th letter noting that CPD was resuming the process with procedures outside of CPD existing and codified procedures—specifically, by making meritorious promotions from previously expired higher ranked Merit Eligibility List tiers. OIG requested clarification from CPD on its process for making the promotions and a justification for doing so.

On September 13, 2021, CPD responded to OIG's letter acknowledging that it had altered prior CPD procedures for the

2021 promotions by allowing Superintendent Brown to consider candidates in expired tiers. CPD further stated that no candidates were interviewed by Superintendent Brown prior to promotion. CPD noted that it was deviating from prior OIG recommendations regarding past practices because, "having a department that more accurately reflects the residents of the City is paramount," but that any deviations were not set forth in a policy or directive in the department. CPD further stated that discussions are ongoing to amend its promotional process outside of the rank order, but until a new process is developed, it "remains necessary to promote officers through the ranks due to retirements, resignations and promotions to hire ranks."

b. 2021 Annual Contractor Reporting

OIG is tasked with monitoring contractor personnel to mitigate against actual or perceived "common law employees." Pursuant to Section III.D of the Contractor Policy, all City departments are required to annually report to OIG certain information on all City contractors (including not-for-profit agencies, for-profit companies or businesses, and any other organizations or individuals) providing services for the City on City premises. Contractors also include personal service contractors and contracted administrative law judges and hearing officers working on City premises. Each department should include information on contractors that are working on City premises pursuant to bids, task orders, master consulting agreements, requests for proposals, requests for qualifications, or personal service agreements.

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All City departments were required to submit their reports by July 31, 2021. The Departments of Aviation, Buildings, and Law remain noncompliant with OIG's numerous requests to obtain departmental reports of all contractors working on City premises.

3. 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.

This quarter, OIG received 19 complaints and had 4 pending complaint from the prior quarter. The table below summarizes the disposition of these complaints.

TABLE #16 - COMPLIANCE COMPLAINTS RECEIVED THIS QUARTER

Complaint Status	Number of Complaints
Pending from Previous Quarter.	4
Received This Quarter	19
Declined or Referred	19

Complaints Pending as of End of Quarter 4

The Compliance section closed two cases this quarter. The table below summarizes the disposition of these complaints, as well as those pending from the previous quarter.

TABLE #17 - COMPLIANCE CASES THIS QUARTER

Case Status	Number of Cases
Pending from Previous Quarter	17
Opened	0
Closed Administratively	1
Not Sustained Notification	1
Cases Pending as of End of Quarter	15