



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Details (With Text)

File #:	F2018-11	Status:	Placed on File
Type:	Communication	In control:	City Council
File created:	1/17/2018	Final action:	1/17/2018
Title:	Inspector General's Quarterly Report (2017 Q4)		
Sponsors:	Dept./Agency		
Indexes:	Quarterly		
Attachments:	1. F2018-11.pdf		

Date	Ver.	Action By	Action	Result
1/17/2018	1	City Council	Placed on File	

Office of Inspector General

3E CTI

City of Chicago

9?^

r-T'i

Report of the Office of Inspector General:

Quarterly report of the office of inspector general fourth quarter 2017

iff'; -:-*■ -'i

OS

: v rtf .1* \f - 4

4&

OIG TIPLINE: (866) 448-4754 www.clicagoinspectorgenerai.org

Joseph M. Ferguson Inspector General

OFFICE OF INSPECTOR GENERAL

City of Chicago

740 N Sedgwick, Suite 200 Chicago, Illinois 60654 Telephone: (773) 478-7799 Fax: (773) 478-3949

January 15, 2018

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

Enclosed for your review is the public report on the operations of the City of Chicago Office of Inspector General (OIG) during the fourth quarter of 2017, filed with the City Council pursuant to Section 2-56-120 of the Municipal Code of Chicago.

A substantial focus of OIG's attention and energy in 2017 involved the transition to a new generation of work and new ways of doing traditional work for which the Office has long been known. Since coming to the Office eight years ago, staff size has nearly doubled. This year we added professionals with diverse backgrounds including criminology, community engagement, data analytics, and forensic auditing. We have also developed and begun to implement innovative technology to further our investigative work beyond the complaint-based focus typical of oversight bodies nationwide, to a more creative and progressive form of analysis and trends in fraud, waste, and abuse in City government.

Though we have undergone many changes and added many new elements, we will continue to evolve. In the coming quarter, OIG anticipates a redesigned website that will be an inviting resource that can be used by residents, City personnel, departments, and the City Council, providing greater insight into current operating trends, patterns, and identification of operational areas warranting closer examination and possible improvement. We expect the new website to feature an interactive, user-friendly data portal which will serve as a tool for anyone seeking transparency in City departments, including the Chicago Police Department (CPD). But new uses of data and technology are not alone transformational. That requires leadership and a workforce willing to embrace the possibilities posed, elevating their perspective and work beyond the way things have always been done.

One such example is the CPD Member Hotline, which OIG created in 2017. The Hotline permits CPD personnel - both sworn and civilian - to digitally submit complaints and suggestions. OIG created this technology-based tool at the request of CPD, prompted by separate recommendations from the Mayor's Police Accountability Task Force and the United States Department of Justice. Despite the digital assurance of complete anonymity, there have been only 13 registrations, 3 complaints, and 5 suggestions from a department with approximately 14,200 employees. It is a long, uphill road to

culture change. Tone and messaging from the top will be critical to get there.

Website: www.chicagoinspectorgeneral.org <<http://www.chicagoinspectorgeneral.org>>

Finally, in 2017 OIG initiated a community engagement strategy that has involved a multitude of community groups and residents across the City. We are eager to continue to engage more community members to learn about your experiences with City government. The most important element of reform is you! We want to hear from each of you about what you think our office should review, investigate, or audit, as well as suggestions for improving our beloved City. Please visit our website and call our office with your suggestions and complaints. We look forward to continuing our growth, alongside the City.

Respectfully,

Joseph M. Ferguson Inspector General City
of Chicago

TABLE OF CONTENTS

A. MISSION OF THE OFFICE OF INSPECTOR GENERAL	2
B. INVESTIGATIONS	2
1. complaints	2
2. Prior Quarter Matters	3
3. Newly Opened Matters4
4. Cases Concluded in Quarter	4
5. Pending Matters	5
6. Investigations Not Concluded in Twelve Months	5
7. Ethics Ordinance Complaints	5
8. Public Building Commission Complaints and Investigations	5
C. ADMINISTRATIVE CASES	5
1. Campaign Finance Investigations	6
2. Sustained Administrative Investigations	7
D. CRIMINAL CASES, ADMINISTRATIVE APPEALS, GRIEVANCES, AND RECOVERIES	12
1. Synopses of Criminal cases	13
2. Developments in Prior Charged Criminal Cases	13
3. Synopses and Results of Administrative Appeals, Grievances, or Other Actions	15
4. Recoveries	17
E. AUDITS AND REVIEWS	17
F. ADVISORIES AND DEPARTMENT NOTIFICATION LETTERS	20
G. OTHER REPORTS AND ACTIVITIES	22
H. HIRING OVERSIGHT	22
1. Hiring Process Reviews	23
2. Hiring Process Audits	26
3. Reporting of Other OIG Hiring Oversight Activity	32

OIG Quarterly Report - Fourth Quarter 2017

This quarterly report provides an overview of the operations of the Office of Inspector General (OIG) during the period from October 1, 2017, through December 31, 2017. The report includes statistics and narrative descriptions of OIG's activity as required by the Municipal Code of Chicago (MCC).

A. Mission of the Office of Inspector General

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

B. Investigations

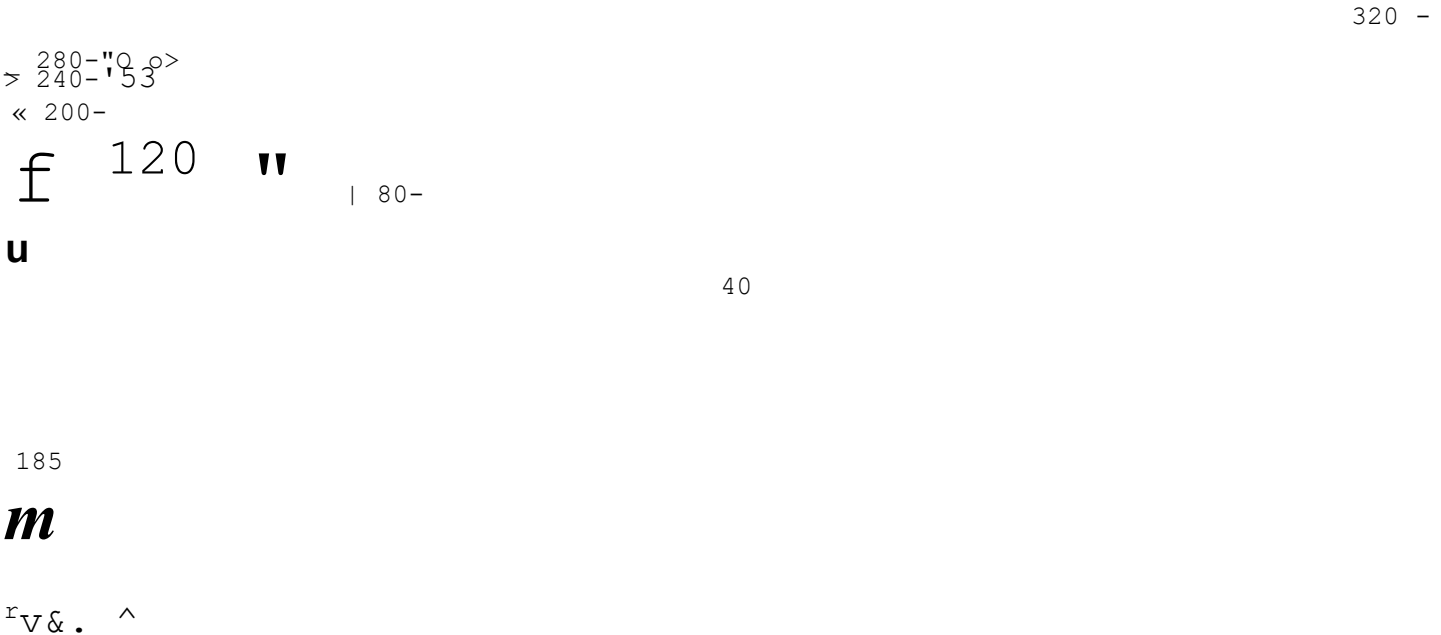
The OIG Investigations Section conducts both criminal and administrative investigations into the conduct of governmental officers, employees, departments, functions, and programs, either in response to complaints or on the Office's own initiative.

1. Complaints

OIG received 575 complaints during the fourth quarter. The chart below breaks down the complaints OIG received during the past quarter by the method in which the complaint was reported.

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

Chart #1 - Complaints by Reporting Method



Complaints Origin

Among other factors, OIG evaluates complaints to gauge the investigative viability and potential magnitude or significance of the allegations-both individually and programmatically.²

Table #1 - Complaint Actions

Status	Number of Complaints
Declined	349
Opened Investigation	19
Referred	119
Pending	88
Total	575

2. Prior Quarter Matters

OIG also took action on complaints received in the prior quarter by declining 23 complaints, opening 5 OIG administrative or criminal investigations, and referring 11 complaints to sister agencies. Additionally 1 complaint was referred to OIG's Hiring Oversight section and 1 complaint remains pending. The following table categorizes matters opened by OIG in the previous quarter and their status.

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

Page 3 of 34

OIG Quarterly Report - Fourth Quarter 2017

Table #2 - Prior Quarter Matters

Status	Number of Complaints
Declined	23
Opened Investigation	5
Referred to Hiring Oversight	1
Pending	1
Referred to Department/Sister Agency	11
Total	41

3. Newly Opened Matters

During the fourth quarter, OIG opened 158 matters. Of the newly opened matters, 132 were referred to other departments or investigative agencies. A total of 26 cases proceeded to an OIG investigation, all of which remained open at the end of the quarter.

The following table categorizes the matters opened by OIG this quarter based on the subject of the matter.

Table #3 - Subject of Investigations and Referrals

Subject of Investigations and Referrals	Number of Investigations and Referrals
Employees	131
Contractors, Subcontractors, and Persons Seeking Contracts	12
Elected Officials	2
Other	13
Total	158

4. Cases Concluded in Quarter

During the fourth quarter, OIG concluded 175 opened matters, 132 of which were referred to the following: 107 to a City department and, 25 to a sister or external agency. Of the remaining concluded matters, 12 were closed as "sustained." A case is sustained when the evidence sufficiently establishes that either an administrative or criminal violation has occurred or the case identifies a particular problem or risk that warrants a public report or notification to a department. A total of 19 matters were closed as "not sustained." A case is not sustained when OIG concludes that the available evidence is insufficient to prove a violation under applicable burdens of proof. A total of 12 matters were closed "administratively." A case is closed administratively when, in OIG's assessment, it has been or is being appropriately

treated by another agency or department, the matter was consolidated with another investigation or, in rare circumstances, OIG determined that further action was unwarranted.

Page 4 of 34

OIG Quarterly Report - Fourth Quarter 2017

5. Pending Matters

At the close of the fourth quarter, OIG had a total of 159 pending matters, including investigations opened during the quarter.

6. Investigations Not Concluded in Twelve Months

Under MCC § 2-56-080, OIG must provide quarterly statistical data on pending investigations open for more than 12 months. Of the 159 pending matters, 68 investigations have been open for at least 12 months.

The following table shows the general reasons that these investigations remain active.

Table #4 - Reasons Investigations Were Not Concluded in Twelve Months

Reason	Number of Investigations
Additional complaints added during the course of the investigation.	2
Complex or resource intensive investigation. May involve difficult issues or multiple subjects.	47
On hold, in order not to interfere with another ongoing investigation.	3
Extended due to higher-risk, time-sensitive investigations.	16
Total	68

7. Ethics Ordinance Complaints

OIG received one ethics ordinance complaint this quarter. One investigation was opened based on this complaint and one additional investigation was opened based on a complaint received in the previous quarter.

8. Public Building Commission Complaints and Investigations

OIG received no complaints related to the Public Buildings Commission (PBC).

C. 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 -a summary and analysis of the evidence and recommendations for disciplinary or other corrective action. OIG sends these reports to the appropriate authority or 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.

1. Campaign Finance Investigations

The MCC bans City vendors, lobbyists, and those seeking to do business with the City from contributing over \$1,500 annually to any City official or candidate political campaigns. Potential violations of the cap are identified through complaints and OIG analysis. Other rules and regulations such as Executive Order 2011-4 place further restrictions on donations. Once a potential violation is identified, OIG notifies the donor and the donation recipient of the violation and, in accordance with the MCC, provides the individual or entities 10 days to challenge the determination or cure the violation by returning the excess donation. 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 16 campaign finance violation matters that involved \$66,400 in disallowed contributions. Details of the cases are provided in the chart below.

Table #5 - Campaign Finance Activity

Case#	Donation Amount (Year)	Donation Source	Amount of Returned Funds
17-0508	\$2,500 (2015)	Company seeking to do business with the City	\$1,000
17-0509	\$2,500 (2016)	Company seeking to do business with the City	\$1,000
17-0510	\$2,500 (2015)	Company seeking to do business with the City	\$1,000
17-0510	\$13,800(2015)	Company seeking to do business with the City	\$12,300
17-0511	\$6,500 (2015) \$3,000 (2016)	Company affiliated with companies seeking to do business with the City	\$6,500
17-0512	\$2,000 (2015) \$2,000 (2016)	Company seeking to do business with the City	\$1,000
17-0512	\$2,500 (2016)	Company affiliated with a company seeking to do business with the City	\$1,000

³ 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."

17-0512	\$6,000 (2016)	Company seeking to do business with the City	\$4,500
17-0512	\$10,000 (2017)	Company seeking to do business with the City	\$8,500
17-0513	\$3,000 (2016)	Company seeking to do business with the City	\$1,500
17-0513	\$2,500 (2016)	Company seeking to do business with the City	\$1,000
17-0514	\$8,000 (2015)	Company affiliated with a company seeking to do business with the City	\$6,500
17-0515	\$5,400 (2015)	Company seeking to do business with the City	\$3,900
17-0516	\$10,800 (2016)	Company seeking to do business with the City	\$9,300
17-0516	\$7,900 (2016)	Company seeking to do business with the City	\$6,400
17-0516	\$2,500 (2016)	Company seeking to do business with the City	\$1,000

2. Sustained Administrative Investigations

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

In addition to OIG's findings, each synopsis includes the action taken by the department in response to OIG's recommendations. City departments have 30 days to respond to OIG recommendations.⁴ This response informs 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.

In deference to the deliberative processes of City departments and the contractual rights of employees relating to discipline, OIG does not report on cases regarding current City employees until the subject's department has acted on and/or responded to OIG's report. For cases in which

⁴ 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. If OIG issues a report to the Chairman of the City Council Committee on Committees, Rules and Ethics, the Chairman must forward the report to the appropriate City Council authority within 14 days. After receiving the report, that individual has 30 days to provide a written response to the Inspector General (or 60 days if a full extension has been granted or if action by the Chairman of the Committee on Committees, Rules and Ethics is required).

Page 7 of 34

OIG Quarterly Report - Fourth Quarter 2017

a department has failed to respond in full within 30 days (or 60 days if a full extension has been granted), the response will be listed as late. The following chart lists concluded matters for which OIG has received a department response this quarter.

Table #6 - Overview of Cases Completed and Reported as Sustained Matters

Case Number	Department or Agency	OIG Recommendation	Department or Agency Action
17-0377	Department of Buildings	Discharge	Discharged

17-0165	Department of Law	Discipline up to and including discharge	Resigned
16-0440	Department of Water Management	Discharge	Designated as retired under inquiry
16-0080	Department of Family and Support Services	Discharge	Discharged
16-0046	Department of Fleet and Facility Management	Discharge	Discharged
15-0514	Department of Streets and Sanitation	Discharge for employee and debarment for subcontractor	Discharged employee and debarment proceedings against subcontractor are pending
15-0348	Department of Procurement Services	Debarment	Reviewing company's written response to OIG report

In addition, this quarter an independent investigator completed its analysis of a complaint against OIG. As described below, the independent investigator found that the allegations were without merit and did not warrant any further investigation.

(A) Sexual Harassment (OIG Case # 17-0377)

An OIG investigation established that a Department of Buildings (DOB) Policy Analyst sexually harassed a 17-year-old high school intern under the Policy Analyst's supervision. Specifically, the employee made multiple unwanted verbal and physical sexual advances toward the intern while at work and on two unauthorized, extended lunch breaks in June and July 2017.

While at work, the employee engaged in inappropriate verbal and sexual behavior by consistently commenting on the intern's appearance and staring at the intern's body, gripping the intern's hand tightly, and leaning closely over the intern. The employee's inappropriate behavior escalated over time. Under the guise of rewarding the intern's hard work, the employee took the intern on a two-hour-long, offsite lunch at the lakefront. While there, the employee:

- Called the intern "babe" and "baby"
- Held and kissed the intern's hand, touched the intern's face, and tried to kiss the intern's cheek
- Invited the intern on a vacation to Miami, offered the intern money to buy a car, and offered to take care of the intern
- Provided a personal cell phone number and email address

Page 8 of 34

OIG Quarterly Report - Fourth Quarter 2017

- Commented that the intern looked older than 17
- Grabbed the intern's hand when the intern tried to walk away

Eventually, the intern was able to convince the employee to drive them both back to DOB offices. That same day, the intern asked to be relocated to another internship location. Throughout the intern's time at DOB, both in the office and during lunch breaks, the intern used verbal and non-verbal cues to tell the employee that the advances were unwanted and unwelcome.

OIG recommended that DOB discharge the employee and refer the employee for placement on the ineligible for rehire list maintained by the Department of Human Resources (DHR).

In response, DOB discharged the employee and placed the employee on the ineligible for rehire list.

(B) Misuse of Sick Time, Outside Practice of Law (OIG Case #17-0165)

An OIG investigation established that a Department of Law (DOL) Assistant Corporation Counsel Supervisor misused sick time to attend court dates in a criminal proceeding in which the employee's daughter was a defendant, submitted false sick time certifications, and filed an appearance as an attorney in that criminal proceeding. In so doing, the employee violated multiple City of Chicago Personnel Rules and DOL's policy prohibiting the outside practice of law.

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

In response, DOL notified OIG that the employee had given notice of intent to resign, effective eight weeks later. The employee was not recorded as having resigned under inquiry.

(C) Unauthorized Secondary Employment (OIG Case #16-0440)

An OIG investigation established that a Department of Water Management (DWM) Motor Truck Driver, who did not obtain departmental permission to perform outside employment as an Uber driver, worked as an Uber driver while on duty disability from August 27, 2015, to October 21, 2016, and then subsequently lied to OIG investigators about the terms of employment with Uber. In an OIG interview, the employee falsely claimed that the employee's adult son drove for Uber using the employee's account, that the employee gave the son the earnings deposited to the employee's bank account, and that Uber permitted the employee to ride with the son while driving for Uber, all of which was contradicted by the evidentiary record.

OIG recommended that DWM discharge the employee and refer the employee for placement on the ineligible for rehire list maintained by DHR.

Page 9 of 34

OIG Quarterly Report -

In response, DWM placed the employee on administrative leave while it initiated the disciplinary process. While on leave, the employee retired. The employee was designated as having retired under inquiry.

D) Residency Violation (OIG Case #16-0080)

An OIG investigation established that a Department of Family and Support Services (DFSS) Resident Services Coordinator has lived in Dolton, Illinois, since becoming a City employee in 2012, in violation of the City's Municipal Code MCC § 2-152-050, requiring its employees to reside in the City. OIG investigators observed the employee commuting to work from a Dolton home on multiple occasions. During an interview with OIG, the employee admitted to spending a majority of time at the Dolton home, being on the Dolton mortgage, paying all of the bills for the Dolton home, and conducting most shopping activities in the suburbs. Records obtained by OIG showed that the first City address where the employee claimed to have lived was in fact leased by other tenants during the employee's tenure with the City. The employee claimed to currently reside at a second City address, but admitted to not having a key to the house. Additionally, the employee's alleged City roommate told OIG that the employee was living at the City address as a

roommate but claimed not to remember the employee's name.

OIG recommended that DFSS discharge the employee and refer the employee to DHR for placement on the ineligible for rehire list.

In response, DFSS discharged the employee and referred the employee for placement on the ineligible for rehire list.

E) *Residency Violation (OIG Case # 16-0046)*

An OIG investigation established that a Department of Fleet and Facility Management (2FM) Sprinkler Fitter lived in Palos Park, Illinois, in violation of the City's Municipal Code MCC § 2-152-050, requiring its employees to reside in the City. Specifically, the investigation found that the employee never established a true City residence when the employee first relocated from out-of-state to become a City employee. OIG investigators observed the employee commuting to work from a Palos Park home on several occasions and, during an interview with OIG, the employee admitted to spending 98 to 99 percent of the employee's time at the Palos Park Home. The employee further admitted to living in Palos Park "for all intents and purposes."

OIG recommended that 2FM discharge the employee and refer the employee for placement on the ineligible for rehire list maintained by DHR.

In response, 2FM discharged the employee and placed the employee on the ineligible for rehire list.

(F) *Criminal Damage to Private Property (OIG Case # 15-0514)*

An OIG investigation established that a Tow Truck Driver for a Department of Streets and Sanitation (DSS) subcontractor committed criminal damage to property by using a baseball bat

Page 10 of 34

OIG Quarterly Report - Fourth Quarter 2017

to break the rear windshield of a vehicle the employee was assigned to tow on behalf of the City. Specifically, the employee was met by three men, who proceeded to throw bricks and bottles as the employee tried to tow the vehicle. Subsequently, while towing the vehicle to a City pound, the employee became frustrated and angry, pulled the tow truck over, took a bat from the back of the tow truck, and used it to break out the rear windshield of the vehicle hooked to the tow truck. Two Chicago Police Department (CPD) officers witnessed the employee smash the rear windshield with the baseball bat; however, the owner of the vehicle never came forward to file a police report or cooperate with CPD's investigation. The employee admitted to breaking the rear windshield, but lied to OIG in claiming that the subcontractor had imposed a suspension and reimbursement for damages paid to the vehicle owner. OIG's investigation revealed that the subcontractor never disciplined the employee pursuant to the contractor's recommendations.

OIG recommended that DSS seek the immediate removal of the employee from any work on the City's towing contract and that the Department of Procurement Services (DPS) initiate debarment proceedings for the purpose of determining appropriate remedial action against the subcontractor for its failure to take action responsive to the on-duty conduct of an employee that met neither legal nor professional standards.

In response, at DSS's request, the contractor discharged the employee from all towing on the City's contract. DPS sent a letter to the subcontractor informing the subcontractor that OIG had recommended debarment and inviting a response.

Debarment proceedings against the subcontractor are pending.

(G) Misrepresentations to Governmental Agencies (OIG Case # 15-0348)

An OIG investigation established that a City contractor included a false, unauthorized endorsement from a supervisory City employee in three separate contract bid packages the contractor submitted to out-of-state municipal entities. The evidence reflects that the contractor's proposal team was negligent in vetting the accuracy of the information the company included in its bid packages. As a result, the company included the City employee's purported endorsement of the company's services, notwithstanding that the endorsement was written by the company and the company never contacted the employee to obtain authorization for its use. In addition, the company failed to identify and remove the endorsement from the company's responses prior to submittal, even though multiple employees from the company knew or should have known that the City employee never authorized its use. The company also used the City of Chicago seal without authorization in each of those responses.

OIG recommended that DPS initiate debarment proceedings for the purpose of determining appropriate remedial action against the company.

In response, DPS sent OIG's report to the company and informed the company that it would "have thirty days to respond, in writing, to the allegations contained in the Report before DPS makes a decision as to the Inspector General's recommendations." The company subsequently submitted a written response to DPS, which is reviewing the matter.

Page 11 of 34

OIG Quarterly Report - Fourth Quarter 2017

(H) Violation of the Uniform Peace Officers' Disciplinary Act (External Investigation)

In April and May 2017, a former, sworn member of CPD submitted several complaints against OIG related to an OIG investigation, in which the complainant was a subject. Pursuant to a Memorandum of Understanding between OIG and the DOL, OIG provided the complaints to the Inspector General for the Chicago Parks District to do a preliminary investigation of the allegations to determine if an outside investigative agency needed to be retained for further investigation. After receiving the complaint, the Chicago Parks District Inspector General determined that his office could not conduct the review due to the appearance of a conflict of interest. Therefore, DOL contracted with an outside firm to investigate the complainant's allegations. After looking into the allegations, the independent investigator determined that they were without merit and no further investigation was warranted.

The complainant maintained that when interviewed by OIG in 2014, the complainant was denied rights guaranteed by the Uniform Peace Officers' Disciplinary Act (the "Act"), 50 ILCS 725/1 et seq. Under the Act, the complainant claimed the right to record the interview and the right to sit for the interview at the investigating officer's precinct or the precinct or facility where the alleged incident occurred. The complainant also alleged that despite these violations, OIG used statements from the interview against the complainant and that the Inspector General failed to train and oversee his staff related to these requirements.

The independent investigator found that all four of these allegations were, without merit. First, the investigator found that the Act does not provide an interviewee the right to make his or her own recording. Under the Act, a record of the interview must be made. The Act provides that "[s]uch record may be electronically recorded." The independent

investigator found that this language does not create an individual right for the interviewee to create their own recording. The Act does entitle the interviewee to a copy of the transcript of the interview, which OIG provided to the complainant after the interview.

Second, the independent investigator determined that the interview occurred at an appropriate location. Provisions of the Act do not apply if the same subject matter is covered by terms of a relevant collective bargaining agreement (CBA). At the time of the interview, the complainant was on a leave of absence from a position covered by a CBA. That CBA specifically allowed interviews at "appropriate location[s]." OIG interviewed the complainant at its court reporter's office. The independent investigator determined this was an allowable and appropriate location under the complainant's CBA.

Finally, the independent investigator determined that the complainant's two remaining allegations-improper reliance on interview statements and failure to train-were immaterial because they were dependent on substantiating one of the first two allegations, both of which it found to be meritless. Therefore, it found the complaint was without merit and did not warrant any further action.

D. Criminal Cases, Administrative Appeals, Grievances, and Recoveries

Page 12 of 34

OIG Quarterly Report - Fourth Quarter 2017

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.⁵

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.

1. Synopses of Criminal Cases

During this quarter, no new criminal charges were issued as a result or related to OIG cases.

2. Developments in Prior Charged Criminal Cases

During this quarter, there were significant developments in three previously reported criminal cases.

(A) United States v. Timothy Mason and Mariana Gerzanych, 15 CR 102 (USDCNDIL)

On October 12, 2017, Timothy Mason, owner of green tech startup 350Green LLC, was ordered to pay \$663,395.12 in restitution-\$473,395.12 to the City of Chicago and \$190,000 to the Pennsylvania Department of Environmental Protection. Mason had been sentenced on September 22, 2017, to two years in prison and one year supervised release for his role in fraudulently obtaining over \$1.7 million in federal grants intended for the installation and maintenance of charging stations for electric vehicles in Chicago. *United States v. Timothy Mason, et al., 15 CR 102 (ND IL)*.

Mason pleaded guilty on May 2, 2017, to one count of mail fraud, 18 U.S.C. § 1343. The charge stemmed from an investigation initiated by OIG and conducted jointly with the Federal Bureau of Investigations and the U.S. Attorney for the Northern District of Illinois. In exchange for 350Green co-owner Mariana Gerzanych's cooperation, the U.S. Attorney's Office deferred prosecution of Gerzanych, Mason's co-defendant. As part of her agreement, Gerzanych is required to pay a \$10,000 fine and serve 200 hours of community service.

350Green installed and maintained charging stations for plug-in electric vehicles in Chicago. As part of a 2010 contract with the City, 350Green applied for and received a contract worth \$1.9 million funded by grants from the Department of Energy. The company made similar arrangements with the Pennsylvania Department of Environmental Protection, the Association of Bay Area Governments, and the Bay Area Air Quality Management District, all

⁵ OIG may issue summary reports of investigation recommending administrative action based on criminal conduct prior to, during, or after criminal prosecution.

Page 13 of 34

OIG Quarterly Report - Fourth Quarter 2017

totaling \$1 million. In order to obtain the grant funds, Mason falsely claimed that a company called Actium Power had supplied Level 3 DC fast chargers to 350Green and that 350Green had paid Actium Power for those chargers. However, Actium Power did not supply the chargers and the actual manufacturer of the chargers was never paid. 350Green also submitted claims to the City of Chicago that falsely represented subcontractors and vendors had been paid.

B) *People of Illinois v. Lennie Perry, 14 CR 18627 (Cir. Ct. of Cook County, IL)*

On December 27, 2017, DSS Tow Truck Driver Lennie Perry was sentenced by Circuit Court of Cook County Judge Lawrence Flood to nine years of imprisonment for a bribery scheme in which he relocated automobiles parked on City streets and solicited and received bribes in exchange for returning the relocated vehicles to the victims. Perry's sentence provides for a period of three years of supervised release to follow the conclusion of his prison term.

Perry, who was previously fired by the City for his criminal conduct, was found guilty on two felony counts of bribery (720 ILCS 5/33-1(d)(e)) and two felony counts of official misconduct (720 ILCS 5/33-3(b)(d)) following a two-day bench trial in December 2017. *State of Illinois v. Lennie Perry, et al., 14 CR 18627 (Cir. Ct. of Cook County, IL)*.

Testimony and evidence at trial established that on September 19, 2014, in the late hours of the evening, a vehicle owner parked at Columbus and Balboa returned from sightseeing to find her vehicle had been towed. She flagged down a City of Chicago tow truck sitting nearby to ask for assistance. She encountered Perry, who told her that if she paid him \$150 in cash, the vehicle would be returned. When she told him that she did not have any money, he directed her to his wife, Arica Reed-Perry, who was parked in a vehicle across the street. Reed-Perry drove the victim to a nearby ATM and subsequently dropped her at her vehicle after receiving the requested \$150. The victim immediately reported the crime to CPD. While the crime was being reported, Reed-Perry was observed driving by and was immediately apprehended by responding CPD officers. She admitted Perry instructed her to drive the victim to an ATM to get money before returning the victim to her car. The evidence at trial further established that Perry and Reed-Perry acted in concert on this, as well as on two other occasions revealed during a broader OIG investigation. On the two additional occasions, Perry was identified as having towed the cars of victims (who had also parked their cars in the downtown area while sightseeing) and then solicited payments of \$100 and \$150 respectively from each for the return of their vehicles.

Perry's wife, Arica Reed-Perry, separately pleaded guilty to a single count of felony theft for the role she played in Perry's scheme. She was sentenced to 24 months of second-chance probation and ordered to pay restitution in the amount of \$

150.

The investigation was conducted by the City of Chicago Office of Inspector General, working in conjunction with the Cook County State's Attorney and CPD.

C) *State of Illinois v. Leon Brown 16-CR-3741 (Cir. Ct. of Cook County, IL)*

Page 14 of 34

OIG Quarterly Report - Fourth Quarter 2017

On October 16, 2017, Department of Finance (DOF) Booter Leon Brown was sentenced by Circuit Court of Cook County Judge Lawrence Flood to 18 months of probation for soliciting and obtaining a \$100 bribe from a driver. Brown, who was previously fired by the City for his criminal conduct, was found guilty on two felony counts of bribery (720 ILCS 5/33-1(d)(e)) and four felony counts of official misconduct (720 ILCS 5/33-3(b)(d)) following a one-day bench trial in September 2017. *State of Illinois v. Leon Brown, 16-CR-3741 (Cir. Ct. of Cook County, IL)*.

Testimony and evidence at trial established that on November 12, 2014, Brown, while on duty and operating a City booter van, told a vehicle driver that unless she gave him \$100, he would have her car towed. Brown subsequently followed the driver into a grocery store, waited while she obtained \$100 from an ATM, and accepted the cash from her.

The investigation was initiated by the City of Chicago Office of Inspector General and conducted jointly with the Cook County State's Attorney's Office.

3. Synopses and Results of Administrative Appeals, Grievances, or Other Actions

To date, OIG has been notified of four updates regarding appeals to HRB or an arbitrator or other actions in the fourth quarter regarding discipline imposed as a result of OIG investigations.

(A) *Harassing and Threatening Communications (OIG Case #15-0181)*

As reported in the second quarter of 2017, a DWM chemist harassed a former DWM employee and a current DWM employee through the transmission of multiple text messages and phone calls, at least one of which occurred while the chemist was on duty at DWM. The communications included derogatory and threatening messages and occurred after both employees had already filed multiple complaints-including with CPD, DHR, and OIG-against the chemist for aggressive and threatening behavior toward them. The chemist's conduct was particularly egregious in light of the chemist's long and documented history of harassing other DWM employees. Through these earlier incidents, the chemist had notice and knowledge of the City's Violence in the Workplace Policy and, thus, the chemist's misconduct in this matter was knowing and intentional. The chemist also made numerous false, inaccurate, or deliberately incomplete statements during the OIG interview and denied sending the harassing messages, despite being presented with documentary evidence to the contrary. OIG therefore recommended that DWM discharge the chemist and refer the chemist to DHR for placement on the ineligible for rehire list.

In response, in April 2017, DWM discharged the chemist. The chemist grieved the discharge and, on November 27, 2017, the arbitrator ruled that, while DWM had just cause to discipline the chemist, it did not have just cause to discharge the chemist. More specifically, the arbitrator found that the chemist's actions did not constitute violence in the workplace and

thus did not warrant discharge. The arbitrator concluded the chemist should be suspended for "untruthfulness, disrespect, and conduct unbecoming an employee." The arbitrator reduced the chemist's

Page 15 of 34

OIG Quarterly Report - Fourth Quarter 2017

discipline to a 30-day unpaid suspension and ordered DWM to make the chemist whole for losses resulting from the discharge.

(B) Time Falsification (OIG Case # 14-0526)

As reported in the third quarter of 2017, an OIG investigation established that two DSS Motor Truck Pool Drivers falsified attendance records, failed to return to work on time after breaks, and used City tow truck vehicles for unauthorized purposes. A review of GPS records and daily activity sheets revealed that, from September 30, 2014, to September 29, 2015, the employees spent a combined 66 hours and 29 minutes at home, at a relative's house, and running personal errands while on City time, without taking authorized breaks. Furthermore, one of the employees frequently drove a City tow truck while on City time to shop at an auto parts store for parts to use in the employee's unauthorized secondary employment (an auto repair shop run out of the employee's home garage). OIG observed the second employee use an assigned City tow truck to help tow a vehicle to the same home repair garage. Neither employee reported their activities on daily time sheets; rather, they falsified their time and location on at least 26 and up to 93 days between September 30, 2014, and September 29, 2015, in an attempt to conceal their activities and whereabouts. Overall, the employees received a combined \$2,304.72 in compensation from the City for time spent on unauthorized breaks and running personal errands.

OIG recommended that DSS discharge the first employee and refer the employee for placement on the ineligible for rehire list maintained by DHR, and impose discipline commensurate with the gravity of the violations against the second employee.

In response, DSS discharged both employees. Both employees appealed their discharge. DSS settled one appeal, agreeing to a 60-day suspension and reassignment of the employee to another bureau within DSS. The second employee's appeal is scheduled for hearing before the HRB.

(C) Improper Solicitation of Money/False Statements (OIG Record # 14-0339)

As reported in the third quarter of 2017, an OIG investigation established that a DSS Property Custodian solicited money from a member of the public who was seeking to retrieve a vehicle from impound. Further, the employee made false statements to OIG regarding the incident.

OIG recommended that DSS discharge the employee and refer the employee for placement on the ineligible for rehire list maintained by DHR. DSS agreed with OIG's recommendation and discharged the employee. The employee then appealed the discharge.

In October 2017, the employee's union, the American Federation of State, County and Municipal Employees (AFSCME), negotiated a settlement that would have allowed the employee to resign in lieu of discharge. The employee failed to submit a written resignation by the settlement's deadline and the discharge remained in effect. The employee was placed on the ineligible for rehire list.

*OIG Quarterly Report - Fourth Quarter 2017**(D) Submission of Fraudulent Price Increases to the City (OIG Case # 13-0418)*

As reported in the first quarter of 2015, a City contractor submitted two forged letters to 2FM in an effort to fraudulently obtain price increases for certain pieces of heavy machinery the contractor had agreed to sell the City. For the contractor's submission of the forged letters, OIG recommended that DPS initiate proceedings to permanently debar the contractor and the contractor's owner and president, general manager, and sales manager. OIG further recommended that the City consider the commencement of a recovery action with respect to contractor's violations of the False Claims Ordinance.

In December 2017, DPS entered into a settlement agreement with the contractor and the contractor's owner and president, general manager, and sales manager, in which the contractor agreed to pay the City \$25,000. The contractor also agreed to enact and submit an ethics and compliance program to the City's Chief Procurement Officer within 21 days of the signing of the agreement. The contractor further agreed to retain an integrity monitoring firm that is to, among other tasks, ensure that the contractor is implementing the compliance program, that the documents submitted to the City by the contractor are accurate and complete, that the contractor is conducting its contract practices, billing practices, and business operations in accordance with the compliance program, and that the compliance program is being managed by responsible executives through written standards, policies and procedures, training and education of personnel, and reporting and review. The monitoring period is to last 24 months after the monitor's first report.

4. Recoveries

This quarter OIG received two reports of cost recovery actions or other financial recoveries related to previously reported OIG investigations.

Table #7 - Overview of Cost Recovery Actions

Case Number	Date	Source	Amount
13-0418	10/12/17	Christofano Equipment Company	\$25,000.00
12-0692	12/22/17	350Green	\$473,395.12

E. Audits and Reviews

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

The following summarizes the two audits and two follow-up reports released this quarter.

A) *Chicago Department of Transportation Pavement Management Audit Follow-Up (#17-0481f*

OIG completed a follow-up of its December 2015 audit of the City's pavement management process. The purpose of the 2015 audit was to determine whether the Chicago Department of Transportation (CDOT) managed street maintenance in a cost-effective way that extended pavement life in accordance with the Federal Highway Administration's (FHWA) pavement preservation program guidelines. OIG found that CDOT's pavement management program did not comport with those guidelines. Specifically, OIG found that CDOT's pavement management program, which manages arterial and residential streets separately, had deficits in the areas of street condition data collection, performance measurements, and preventive maintenance.

In response to the audit, CDOT described a number of corrective actions it planned to take, but disagreed with OIG's recommendation to separate residential street resurfacing from the Aldermanic Menu Program (Menu), which is the City's primary means of residential infrastructure management. Based on the Department's follow-up response, OIG concluded that CDOT has begun to implement three corrective actions related to conducting a residential and arterial pavement condition survey, including the implementation of an FHWA-approved Pavement Preservation Plan. Once fully implemented, OIG believes that these three corrective actions may reasonably be expected to resolve, in part, the core finding noted in the audit (i.e., that CDOT's pavement management program did not comport with federal guidelines).

However, CDOT still declines to take any action to remove residential street resurfacing from the Menu. OIG found that, contrary to FHWA guidelines—which call for an empirically-based, network-level, long-term pavement management strategy—the Menu is a decentralized approach that is directed by insufficient data and aldermanic discretion. Given recent advancements in CDOT's ability to track and monitor street conditions, OIG found that the City's decision to defer to aldermen rather than rely on CDOT's subject matter expertise and knowledge of objective maintenance needs did not align with FHWA guidelines. OIG urged the Department to reconsider the remaining recommendation and identify corrective actions to address this aspect of the audit finding.

B) *Department of Administrative Hearings Adjudication Timeliness Audit Follow-Up (#17-0434/*

OIG completed a follow-up to its May 2016 audit of the Department of Administrative Hearings's (DOAH) efforts to ensure timely adjudication of cases. The original audit found that DOAH did not measure or set standards for clearance rates or time to disposition and that DOAH's overall clearance rate from 2012 through 2014 was 99.3% (meaning that DOAH opened only slightly more cases than it closed). The Department was unaware of its quarterly

^h Published December 12, 2017. See <http://chicagoinspector.org/publications-and-press/cdot-pavement-management-audit-follow-up/>, <http://chicagoinspector.org/publications-and-press/cdot-pavement-management-audit-follow-up/>

⁷ Published November 17, 2017. See <http://chicagoinspector.org/publications-and-press/follow-up-of-the-doah-adjudication-timeliness-audit/>

caseload backlog and increase in time to disposition for some case types identified by the OIG's analysis.

OIG recommended that DOAH evaluate its own performance on an ongoing basis by tracking clearance rates and times to disposition, as well as other similar measures and if negative trends are identified work with ticketing departments to identify causes and, if necessary, create a plan to address them.

Based on DOAH's follow-up response, OIG concluded that the Department has begun to implement corrective actions. Specifically, DOAH has adopted, although not documented, a 100% clearance rate policy and defined time-to-disposition standards for 28, or 90.3% of 31 case types identified by DOAH. However, DOAH is still in the process of developing accurate reports to monitor its performance relative to the new clearance rate and time-to-disposition standards. We urge the Department to complete the process of designing and implementing accurate clearance-rate and time-to-disposition monitoring reports, and to adopt written policies and procedures regarding their use. We also urge DOAH to ensure it has identified and set time-to-disposition standards for all case types. Finally, upon implementation of these monitoring reports, we urge DOAH to work with the ticketing departments to identify causes of backlogs and lengthy cases, and, if necessary, to create a plan to reduce the backlog and expedite the disposal of cases.

(C) Audit of Contractor Compliance with the Chicago Base Wage Ordinance (#16-0469/

OIG evaluated security guard and janitorial service contractors and subcontractors to determine whether they complied with the Chicago Base Wage Ordinance. OIG found that while the four prime contractors reviewed in the audit, consistently paid their employees the hourly base wage required by the Municipal Code of Chicago, three of the four related subcontractors underpaid 150 employees a total of \$22,664 during the period reviewed, resulting in an estimated total underpayment of \$291,816 over 3 years. OIG concluded that the City did not implement sufficient controls to provide reasonable assurance that prime contractors and subcontractors complied with the Chicago Base Wage Ordinance.

OIG recommended that DPS exercise its existing audit authority and require the contractors and subcontractors reviewed to identify the total underpayment related to base, overtime, and training wages, and to pay the covered employees any back pay owed. In addition, OIG recommended that DPS take further steps to promote compliance among contractors and subcontractors and provide guidance on monitoring wage rate compliance to all departments with relevant contracts.

DPS agreed with OIG's recommendations and stated that it had issued default notices and requests to cure to the two prime contractors involved, requesting proof that their subcontractors have paid the correct base wages to all of their employees throughout the life of the contracts.

* Published November 30, 2017. See <<http://cMiicaTOinspectorgenil.oiu/publications-iind-press/audit-of-contractor->compliance-with-the-chicago-base-wage-ordinance/>>.

Page 19 of 34

OIG Quarterly Report - Fourth Quarter 2017

Furthermore, to prevent and detect future wage violations and to provide guidance on monitoring wage rate compliance, the Office of the Mayor will convene meetings with DPS, DOF, DOL and user departments to develop methods for actively monitoring contractors' wage rate compliance.

(D) Chicago Police Department Overtime Controls Audit (#15-0198/

OIG evaluated CPD's controls related to regular-duty overtime in order to determine if CPD effectively managed regular-duty overtime to prevent waste and abuse.

OIG found that CPD's operational controls do not adequately prevent unnecessary overtime, deter abuse of minimum time provisions, or ensure that overtime is paid in compliance with policies and procedures. OIG also found that CPD management controls do not prevent officer fatigue, control costs, or detect and prevent fraud, waste, and abuse. Finally, OIG found that CPD directives related to timekeeping do not reflect current practice, do not provide adequate detail to ensure consistent application of Department policies, and do not include policies to prevent excessive overtime, prevent officer fatigue, or control costs.

OIG concluded that CPD's manual timekeeping process is costly, inefficient, and lacks operational controls needed to curb unnecessary overtime expenditures and ensure accurate recordkeeping. Furthermore, CPD management does not effectively monitor and manage overtime to prevent fraud, waste, abuse, and officer fatigue.

OIG recommended that CPD management set a "tone at the top" emphasizing the importance of accurate, verifiable timekeeping records, and establish the controls necessary to meet this goal. To address specific issues raised by this audit, OIG recommended that CPD implement an automated timekeeping system, provide supervisors the tools they need to monitor and assess overtime use, hold supervisors accountable for monitoring overtime, and ensure that Department directives are regularly reviewed and updated to reflect current practices.

In response to the audit findings and recommendations, CPD acknowledged deficiencies in its manual timekeeping system. To address these deficiencies, CPD stated that by the end of 2017 it will begin to require employees to electronically record both the start and end of their work day or shift using an electronic swiping system, and that by mid-2019 it will implement an electronic system for all other timekeeping purposes, including monitoring overtime. CPD also committed to providing more training to timekeepers, supervisors, and officers regarding proper use and recording of overtime, and to conducting spot-check internal audits of timekeeping. Finally, CPD committed to a more robust process for managing overtime use, including reviewing overtime trends in Compstat meetings, and holding supervisors accountable for monitoring overtime usage in their units—two improvements that CPD has said in the past it would adopt, but has never fully implemented.

F. Advisories and Department Notification Letters

" Published October 3, 2017. See <<http://chicagoinspectoracncral.org/publications-and-press/cpd-overtime-controls->>audit/.

Page 20 of 34

OIG Quarterly Report - Fourth Quarter 2017

Advisories and department notification letters describe management problems observed by OIG in the course of other activities including audits and investigations. These are problems that OIG believes it should apprise the City of in an official manner. OIG completed no advisories and two notifications this quarter.

A) Notification Regarding Chicago Building Code Accessibility Requirements (#16-0380)

OIG issued a notification to the Mayor's Office for People with Disabilities (MOPD) and DOB regarding compliance with the accessibility provisions of the Chicago Building Code, Chapter 18-11. OIG determined that MOPD and DOB had not established a collaborative partnership to effectively promote accessibility compliance, and that the City had not

completed planned updates to align the Building Code's accessibility requirements with 2010 Americans with Disabilities Act Standards, the Federal Fair Housing Act, and planned revisions of the Illinois Accessibility Code. OIG encouraged MOPD and DOB to establish a collaborative partnership, including defined responsibilities for permit and plan reviews, rough and final building inspections, and inspection and enforcement authority over completed buildings. OIG also encouraged the departments to regularly evaluate the compliance of projects approved through the Self-Certification program, implement processes to address trends in noncompliance, and define a timeline for completion of planned Building Code updates. In response, MOPD and DOB committed to work together to formalize and strengthen processes and ensure they have a shared understanding of the Code. In addition, while efforts to align the Building Code with other legislation were delayed, MOPD affirmed its commitment to future alignment efforts.

B) *Notification regarding Surplus Inventory Issues at CFD Fire Houses (# 15-0591)*

A recent OIG investigation established that the Chicago Fire Department (CFD) does not have a process that allows firehouses to return supplies when they lack sufficient storage space. A complainant alleged that a newly assigned CFD captain had stolen multiple boxes of CFD-issued supplies from a firehouse. OIG's investigation revealed, however, that after exhausting multiple avenues by which to return or redistribute these supplies-valued at approximately \$400-the captain, without headquarters' knowledge or permission, donated the surplus to a local Catholic school. The captain's reason for donating the supplies was to declutter the firehouse in light of impending inspections, which required that firehouses be "clutter free, inside and out" in order to pass.

Although the CFD Bureau of Logistics (BOL) and a district chief claimed that the supplies should have been returned to their place of origin, typically BOL, CFD does not have any policies or procedures detailing a process to return surplus supplies. Currently, every month, each firehouse captain is responsible for contacting BOL to request "standard house supplies" which include a pre-set bundle of specific supplies (toilet paper, mop heads, soap, all-purpose cleaner, etc.). If a firehouse does not need a particular item, the captain must explicitly refuse it. BOL acknowledged that the current CFD directive on supplies is out of date and noted that an effort to create a more modern application on CFD's SharePoint system, so CFD officers can order what they need electronically, had been placed on the backburner.

Page 21 of 34

OIG Quarterly Report - Fourth Quarter 2017

OIG recommended that CFD create a policy that clearly outlines the process for returning unused goods that cannot be stored within CFD facilities. OIG further recommended that CFD continue training captains on how to properly order supplies and also include instructions on how to return unused items. OIG also recommended that the Department consider reviewing the ordering process for monthly house supplies to ensure flexibility and appropriate inventory levels, as well as pursue its delayed plan for an online ordering system.

In response, CFD reported that while the incident appeared to be an isolated one, the captain in question had been counseled and instructed on how to handle unused goods going forward. In addition, in September 2017, CFD appointed a new Deputy Fire Commission in BOL, who was reviewing CFD's policies and practices related to house supplies. CFD reported that, by the end of the first quarter of 2018, it would amend its current policy regarding supplies. According to CFD, this new policy will, among other things, outline the process for returning unused goods that cannot be stored within CFD facilities. In addition, as a part of this new policy, CFD will institute a new ordering system that will require all supplies to be requested online through SharePoint. Once supply orders are made for the month, additional orders will be prohibited. If additional supplies are needed within thirty days, a special request will be required for the approval of the BOL District Chief. In addition, quantities of supplies will be tailored if there is a surplus at the end of thirty days.

G. 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. This section is reserved in order to describe such activities as they occur. No such reports were released this quarter.

H. HIRING OVERSIGHT

Under Chapter XII of the City of Chicago General Hiring Plan, Chapter XI of the CPD Hiring Plan, and Chapter IX of the CFD Hiring Plan, OIG is required to review and audit various components of the hiring process and report on them quarterly.¹⁰ The City's Hiring Plans require both reviews and compliance audits. The Hiring Plans define reviews as a "check of all relevant documentation and data concerning a matter," and audits as a "check of a random sample or risk-based sample of the documentation and data concerning a hiring element."

¹¹ 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."

Page 22 of 34

OIG Quarterly Report - Fourth Quarter 2017

1. Hiring Process Reviews

(A) • Contacts by Hiring Departments

OIG tracks all reported or discovered instances where hiring departments contacted DHR or 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 the fourth quarter of 2017, OIG received two reports of direct contacts.

- An employee of the Civilian Office of Police Accountability contacted DHR to inquire about an applicant who did not appear on the referral list for the Covered Position of Supervising Investigator.
- An employee of the Department of Planning and Development contacted DHR to inquire about an applicant who did not appear on the referral list for the Covered Position of Assistant Commissioner.

(B) 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 the fourth quarter, OIG received notice of six political contacts:

- An employee of the Office of the Mayor contacted 2FM regarding the Department's criteria for determining whether a specific employee's absence from work was excused or unexcused.
- A Cook County Circuit Court judge submitted a letter of recommendation on behalf of a candidate for the Covered Position of Assistant Corporation Counsel in DOL.
- An alderman contacted DHR to check on the status of a candidate's appeal of a background check disqualification for the Covered Position of Police Officer.
- An alderman contacted DHR to inquire about an employee's pending layoff from an at-will position in the Department of Public Health.

Page 23 of 34

OIG Quarterly Report - Fourth Quarter 2017

- An alderman contacted DHR to inquire about an applicant who did not receive a testing notice and whether the detenuination could be appealed for the Covered Position of Police Officer.
- An alderman submitted a letter to 2FM in support of an employee facing potential discharge.

C) *Exemptions*

OIG tracks all reported or discovered Shakman Exempt appointments and modifications to the Exempt List on an ongoing basis from DHR. OIG received notification of 46 exempt appointments in the fourth quarter. Additionally, OIG discovered four exempt appointments that were not reported by DHR. OIG alerted DHR after discovering these unreported appointments. DHR stated it did not provide the notifications because the appointments were reported through media outlets. However, DHR agreed to provide notifications of all Shakman Exempt appointments regardless of media exposure.

In addition to ongoing tracking, OIG conducts an annual review of the Exempt List to ensure that the City is complying with the Hiring Plan requirements to determine DHR's maintenance of an accurate record of Shakman Exempt employees and titles. OIG completed its Exempt List review in the fourth quarter and will report on its findings and DHR's response in a future quarterly report.

D) *Written Rationale*

When no consensus selection is reached during a Consensus Meeting, a Written Rationale must be provided to OIG for

review.¹¹

During the fourth quarter, OIG did not receive any Written Rationales for review.

E) *Emergency Appointments*

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

The City reported no emergency appointments during the fourth quarter.

F) *Review of Contracting Activity*

OIG is required to review City departments' compliance with the City's Contractor Policy (Exhibit C to the City's Hiring Plan). Per the Contractor Policy, OIG may choose to review any solicitation documents, draft agreements or final contract or agreement terms to assess whether

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.

Page 24 of 34

OIG Quarterly Report - Fourth Quarter 2017

they are in compliance with the Contractor Policy. This review includes analyzing the contract for common law employee risks and ensuring the inclusion of Shakman boilerplate language.

Under the revised Contractor Policy¹², departments are no longer 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. During the fourth quarter, OIG reviewed 34 Task Order Requests, four contracts, and two temporary service agreements.

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.

13

The chart below details contracts and internship opportunities OIG received notice of in the fourth quarter.

Table #8 - Contract and Internship, Volunteer, and Opportunity Notifications

Contracting Department	Contractor, Agency, Program, or Other Organization	Duration of Contract/Agreement
Civilian Office of Police Accountability	Internship Program - Spring 2018	3 months
Civilian Office of Police Accountability	Internship Program - Spring 2018	3 months
Law Department	Externship Program	Ongoing

Office of the City Clerk	Cristo Rey and Christ the King Corporate Work Study Program	9 months
Office of Inspector General	Jones College Prep Career and Technical Education Pre-Law Honors Program	3 months

In addition, OIG received an update from the Chicago Department of Public Health (CDPH) regarding an ongoing violation of the Contractor Policy. Pursuant to Chapter IV.B. 1(b)(3) of the revised Contractor Policy, the maximum engagement of a temporary employment agency shall not exceed one year. CDPH continues to utilize temporary psychiatry staff beyond the 12 months allowed under the City's Contractor Policy.¹⁴

CDPH's ongoing violation is primarily due to a nationwide shortage of psychiatrists, which has made it extremely difficult for the City to fill existing vacancies. While this is a technical violation, CDPH has made multiple good-faith efforts to fill these positions with permanent City employees. These efforts include increasing the hourly salary from \$87.73/hour to \$106.00/hour and posting the vacancies several times in 2016 and on an ongoing basis for several months in 2017. Additionally, CDPH has proactively sought applicants by posting the notice of job opportunity on multiple platforms and by participating in a tuition-reimbursement program.

¹² Revised June 7, 2017.

¹³ Chapter X.B.6 of the General Hiring Plan

^M CDPH has been utilizing temporary staff as psychiatrists since at least December 11, 2015.

Page 25 of 34

OIG Quarterly Report -

CDPH has kept DHR and OIG updated on its efforts to remediate this violation and to hire City employees into its three existing vacancies. OIG encourages CDPH to continue with these efforts.

2. Hiring Process Audits

A) Modifications to Class Specifications,¹⁵ Minimum Qualifications, and Screening and Hiring Criteria

OIG reviews modifications to Class Specifications, minimum qualifications, and screening and hiring criteria. In the fourth quarter, OIG received notifications that DHR changed the minimum qualifications for two titles within the following departments: Aviation and Cultural Affairs and Special Events. OIG reviewed both notices of changes to minimum qualifications and had no objections to the proposed changes. In both instances, OIG had questions about the generic language used to describe the scope of previous required work experience. In response, DHR's recruiter worked with the department to modify the generic language to a more specific, measurable standard. OIG had no further objections to the changes.

B) Referral Lists

OIG audits lists of applicants/bidders who meet the predetermined minimum qualifications generated by DHR for City positions. Each quarter, OIG examines a sample of referral lists and notifies DHR when potential issues are identified. OIG recognizes that aspects of candidate assessment are subjective and that there can be differences of opinion in the evaluation of a candidate's qualifications. Therefore, our designation of "error" is limited to cases where, based on the information provided, OIG found that,

- a candidate who did not quantitatively meet the minimum qualifications was referred for hiring;
- a candidate who failed to provide all of the required information and/or documents listed on the job posting was referred for hiring; or
- a candidate who quantitatively met the minimum qualifications was not referred for hiring.

In the fourth quarter, OIG audited three referral lists, none of which contained errors.

C) *Testing*

The Hiring Plan requires that OIG conduct an audit of DHR test administrations and scoring each quarter. In the fourth quarter, OIG audited testing administration materials¹⁶ for 22 test

¹⁵ "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.

Page 26 of 34

OIG Quarterly Report - Fourth Quarter 2017

administrations¹⁷ covering 12 City departments that were completed during the third quarter of 2017.

OIG did not find any errors; however, DHR self-reported an error affecting a test administration and the corrective action taken. Specifically, when DHR reviewed the testing administration materials for Sheet Metal Worker in 2FM they discovered that they had used an answer key that had incorrect answers for three questions. Once DHR Testing identified the error, the tests were re-scored using the corrected answer key.

(D) *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: DSS, DWM, CDA, CDOT, DOB, 2FM, and six other City departments selected at the discretion of OIG.

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

In the fourth quarter, OIG completed an audit of hire packets for 27 hiring sequences completed during the third quarter of 2017. OIG selected these hiring sequences based on risk factors such as past errors, complaints, and historical issues with particular positions. These hiring sequences involved 18 departments. Of the 27 hire packets audited, OIG identified 2 errors and 1 Hire Plan Violation affecting 2 hiring sequences. The errors involved missing hiring documentation. In each sequence, OIG provided the findings to DHR. DHR took steps to correct the documentation errors by obtaining completed forms. The documents were submitted by the hiring departments and placed with the corresponding hire packet.

Regarding the Hire Plan Violation, OIG determined that a proper Consensus Meeting was not held for Sponsorship Coordinator in DFSS, as required by Chapter V, Section B.II of the

"Testing administration materials" include (1) the test booklet (or booklets, if multiple versions of the test were administered); (2) the sign in/sign out sheets; (3) the answer key; (4) the final cut score(s)-the threshold score for passing the exam-and any documentation regarding the change of a cut score(s); (5) the individual test scores for each candidate for each test that was administered; (6) the finalized test results sent to the DHR Recruiter; (7) the answer sheets completed by the candidates; (8) the rating sheets completed by the interviewers as part of the Foreman Promotional Process; (9) any additional emails or notes identifying issues surrounding the test administration or scoring (e.g., documentation identifying the individual test score changes for tests that are rescored, memos to file regarding non-scheduled candidates being allowed to test, etc.); and (10) the Referral List.

17

A "test administration" is considered to be completed when a test has been administered and the final candidate scores have been sent from the DHR Testing Division to the DHR Recruiting Division for candidate selection and processing.

Page 27 of 34

OIG Quarterly Report - Fourth Quarter 2017

¹⁰
General Hire Plan. OIG recommended that DHR develop standardized training for recruiters regarding Intake and Consensus Meetings.

In response to the audit, DHR communicated the violation and errors to the appropriate recruiters. DHR has requested that more detailed attention to duty be exhibited and stated that they are working on a long-term solution to create standardized procedures and training documents for recruiters regarding Intake and Consensus Meetings. Until those documents are finalized, DHR will offer refresher interview and consensus training to recruiters.

E) *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 56 hire packets in the fourth quarter, none of which contained Hire Certification errors.

F) *Selected CPD 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 not covered by a collective bargaining unit and located within a district or unit.

Assignment packets include all documents and notes maintained by employees involved in the selection processes outlined in Appendix D & 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 candidate has begun their assignment.

In the fourth quarter, OIG completed an audit of 11 assignment sequences from the third quarter of 2017. OIG identified two errors affecting one assignment sequence. The errors involved missing or incomplete documentation, which CPD-HR

corrected after OIG informed them of the errors.

Due to the nature of the errors and the corrective action taken, OIG had no further recommendations.

G) *Selected CFD 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

Chapter V, Section B.I I of the General Hire Plan states, "the selection process for interviewed positions shall be based on a Consensus Meeting led by a DHR Recruiter and attended by all interviewers, along with the Hiring Manager for the position."

Page 28 of 34

OIG Quarterly Report - Fourth Quarter 2017

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.

CFD did not process any specialized unit assignments in the previous quarter.

(H) *Monitoring Hiring Sequences*

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

OIG identifies the hiring sequences to be monitored based on risk factors such as past errors, complaints, and historical issues with particular positions. During the fourth quarter, OIG monitored 9 Intake Meetings, 2 tests, 10 sets of interviews, and 11 Consensus Meetings. The table below shows the breakdown of monitoring activity by department.¹⁹

Table #9 - Fourth Quarter 2017 OIG Monitoring Activities

Department	Intake Meetings Monitored	Tests Monitored	Interview Sets Monitored	Consensus Meetings Monitored
Aviation			3	4
Family and Support Services			- 1	1
Fire Department				1
Police Department	2	2	1	1
Public Health	1		1	
Cultural Affairs and Special Events	2		1	1
Streets and Sanitation			3	3
Transportation	2			
Water Management	2			

Totals	9	2	10	11
---------------	----------	----------	-----------	-----------

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

Page 29 of 34

OIG Quarterly Report - Fourth Quarter 2017

(I) Acting Up'''

OIG audits the City's compliance with Chapter XI of the General Hiring Plan and the Acting Up Policy.

OIG received notice of 13 DHR-approved waiver requests to the City's 90-Day Acting Up limit in the fourth quarter.²¹ The following chart details these waivers.

Table #10 - Acting Up Waivers

Department	Acting Position	Number of Employees	Date of Response	Expiration of Waiver
Police	Field Training Officer	9	11/24/17	12/31/17
Transportation	General Foreman of Construction Laborers	1	9/21/17	11/30/17
Transportation	General Foreman of Laborers	1	9/21/17	10/31/17
Transportation	General Foreman of Bridge and Structural Iron Workers	1	11/17/17	12/31/17
Transportation	Foreman of Bridge and Structural Iron Workers	4	11/17/17	12/31/17
Transportation	Foreman of Construction Laborers	3	9/21/17	11/30/17
Transportation	Foreman of Machinist	2	11/17/17	12/31/17
Transportation	Foreman of Asphalt Laborers	7	11/24/17	End of construction season
Transportation	General Foreman of Laborers	2	10/30/17	12/31/17

"Acting Up" means an employee is directed or is held accountable to perform, and does perform, substantially all of 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.

Page 30 of 34

OIG Quarterly Report - Fourth Quarter 2017

Department	Acting Position	Number of Employees	Date of Response	Expiration of Waiver
Transportation	Foreman of Lineman	1	11/28/17	12/31/17
Water	General Foreman Electrical Mechanics	1	9/21/17	Waiver covered days that exceeded 90-day limit
Water	Operating Engineer	1	9/21/17	11/30/17
Water	Assistant Chief Operating Engineer	1	9/21/17	11/30/17

In the third quarter of 2017, OIG completed its Acting Up audit of DPS, DFSS, and CDOT. In the audit of DPS, OIG found that at least one employee had Acted Up at least one day without any payroll record of receiving Acting Up pay. In response, DPS provided an email from the Finance Helpdesk which instructed DPS to use a non-Acting Up pay code. OIG met with representatives from DOF's Helpdesk to discuss the inconsistency and they acknowledged the error. Moving forward, DPS agreed to only use Acting Up pay codes for Acting Up pay.

In the audit of DFSS, OIG found that at least one employee had Acted Up at least one day without the use of an Acting Up pay code. In response, DFSS stated that the Acting Up pay was provided on the backend as a result of a grievance settlement. This pay was provided on a separate payroll check.

OIG has consistently audited CDOT since the Acting Up policy's inception in 2014. This past audit revealed a continuation of habitual non-compliance, where OIG has worked with CDOT and DHR to propose several solutions including providing additional training to staff responsible for Acting Up, consolidating oversight of Acting Up activities, offering consultation with other large City departments to implement best practices for reporting and tracking, suggesting the use of technology to ensure all Acting Up information is easily available to all necessary CDOT staff, and using existing City databases to verify Acting Up information prior to submitting reports to OIG. In response, CDOT acknowledged its past struggles to achieve compliance. CDOT also compiled a longer term corrective action plan to remediate its Acting Up processes. At CDOT's request, OIG conducted another audit to ensure the revised processes had improved their reporting mechanisms. That audit, conducted in May 2017, did show a substantial improvement in CDOT's Acting Up reporting. OIG looks forward to CDOT's continued improvements in this area in 2018.

(J) Arbitrations and Potential Resolution of Grievances by Settlement

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

OIG Quarterly Report - Fourth Quarter 2017

OIG received notice of one settlement agreement from DHR during the fourth quarter. The settlement agreement resulted in a waiver of the seven-day notification to host an Intake Meeting for a position that was specified in the agreement with AFSCME. OIG also received notice of one arbitration award directly from CPD, which resulted in a waiver of the seven-

day notification for testing.

3. Reporting of Other OIG Hiring Oversight Activity

(A) 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 OIG Investigations.

OIG did not receive any escalations in the fourth quarter. OIG concluded one pending escalation within the fourth quarter. The details of the escalation are reported below.

i. Office of Emergency Management

On August 11, 2017, DHR escalated a hiring sequence to OIG after OEMC requested a second Consensus Meeting due to an alleged potential conflict of interest with one of the interviewers. OIG reviewed all documentation from the hiring sequence and interviewed the involved parties. OIG found no evidence of a conflict of interest between the interviewers and the candidates, and concluded that the interviewers properly based the selection decision upon the Hiring Criteria.

OIG recommended that DHR not re-facilitate the Consensus Meeting. Additionally, based on its review, OIG recommended that DHR create clear written guidance for interviewers explaining to what extent they may or may not consider their first-hand knowledge of a candidate's job performance. OIG recommended that DHR examine the current Discipline and Attendance policy to determine its effectiveness. Specifically, the City's Attendance and Disciplinary Criteria states, "if an employee has more than the equivalent of 7 days cumulative hours of disciplinary suspension or unexcused absences in the preceding 12 months, that employee is ineligible for a promotion or lateral employment move."²² OIG's review revealed that several candidates had been issued discipline in June 2017, but would not serve any time off until December 2017. Because of this delay, had OEMC selected the affected candidates, the discipline would not have been considered to have occurred "within the preceding 12 months" of the hiring sequence and, if selected, under the current policy they would have been eligible for promotion.²³ OIG also requested that DHR formalize and distribute a clear Conflict of Interest Disclosure and Interviewer Recusal policy. Finally, OIG recommended that OEMC discontinue

Chapter II.C.5 of the Hire Plan states, "The City shall require internal Candidates to meet certain attendance and disciplinary criteria at the time of selection."

■³ During the course of this review OIG found another, incident where this systemic flaw benefitted another OEMC employee who was promoted on June 1, 2017, despite having been issued a suspension that was not served until December 2017.

Page 32 of 34

- Fourth Quarter 2017

the practice of recording contemporaneous interview notes on separate note pages, and then transcribing these notes onto the Candidate Assessment Forms at a later time. OEMC agreed with OIG's recommendations and noted that OEMC had not been instructed to discontinue the practice of recording contemporaneous interview notes on separate note pages.

DHR provided a brief response, stating that it looked forward to working with OIG to develop clear written guidance for interviewers to explain the extent to which they may or may not consider firsthand knowledge of the quality of an

internal candidate's job performance. Additionally, DHR expressed an interest in formalizing a Conflict of Interest Disclosure and Interviewer Policy. Because this has been a recurring hiring issue across City departments, OIG has advocated and recommended the creation of a clear Conflict of Interest/Recusal policy since April 2017."⁴ Despite numerous requests, DHR has not provided any drafts for review. Additionally, DHR's response did not address the recommendation to examine its current Discipline and Attendance policy to determine its effectiveness and make necessary procedural and administrative amendments.

(B) Processing of Complaints

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

OIG received three complaints related to the City's hiring practices in the fourth quarter of 2017. The chart below summarizes the disposition of these complaints, as well as complaints and cases from the previous quarter that were not closed when OIG issued its last report.

Table #11 - Hiring Oversight Complaints Received in the Fourth Quarter of 2017

Status	Number of Complaints and/or Cases
Cases Pending at the End of Second Quarter 2017	14
Complaints Received in Third Quarter 2017	5
Complaints Declined Without Inquiry in Third Quarter 2017	0
Complaints Pending at the End of Third Quarter 2017	0

²⁰ DHR first recommended that DIIR create a clear Conflict of Interest Policy on April 19, 2017. In that memorandum OIG noted that DHR's failure to provide a clear, official, and accessible policy allows for confusion among interviewers and creates a potential for departmental manipulation of hiring sequences. See also May 31, 2017 Escalation memorandum to DHR. See also, DHR's November 13, 2015, response to OIG case #14-0587.

Cases Referred by OIG Investigations in Third Quarter 2017	0
Total Cases Closed in Third Quarter 2017	3
Closed by Referral to OIG Investigations	0
Closed by Referral to DHR/Department	0
Closed with Recommendations to Hiring Department and/or DHR	1
Cases Pending with OIG Hiring Oversight as of September 30, 2017	16

