



# Office of the City Clerk

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## Legislation Text

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### **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 third quarter of 2018, filed with the City Council pursuant to Section 2-56-120 of the Municipal Code of Chicago.

The recently concluded quarter resulted in reports and dispositions regarding a diverse array of administrative and programmatic matters which include the disclosure of sensitive law enforcement information by a 911 center police communications officer, sexual misconduct, criminal theft and misappropriation, as well as misadministration of-Special Service Area (SSA) funds, and bribe solicitation by a contract parking enforcement officer, in addition to employee residency violations and time fraud, all of which are summarized in the report below.

Such matters are often viewed through a public lens jaundiced by the troubling fraying of behavioral norms by government actors and factionally-based fracturing of the institutions of government, most particularly at the national level. The identification and reporting of dispositions relating to individual misconduct or audit and review findings of program or operational shortcomings are readily processed as confirmation for those inclined to a dim view of government. That-is as understandable as it is unfortunate. In these challenging times, municipal governments, particularly in large, complex cities such as ours, are the real innovators and problem solvers for many of our society's greatest challenges. Viewed in that light, our quarterly reports might be better understood as confirmation of a government that cares to be better, working diligently from within to improve, whether through the removal of malfeasant employees or contractors, the recovery of proceeds improperly derived, or changes in administrative policies or practices for more effective and efficient delivery of services to the residents it serves.

Driven by the aspiration embodied in our legally-prescribed mission, OIG itself broke some new ground at the organizational level during the last quarter. This quarter brought the arrival of a new head of the Public Safety (PS) section, Joey Lipari. The section reported out a review of the Chicago Police Department's (CPD) management of School Resource Officers (SROs), sworn personnel detailed to approximately 75 public schools Through dedicated community outreach-a new,

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important programmatic public feedback mechanism directed largely by PS-we hoard broad and deep consternation about the operation of the SRO program-a joint function of CPD and the Chicago Public Schools. While some of the concerns were driven by troubling narratives, it was unquestionably the case that the community's concerns were just as much a product of lack of information and transparency respecting the purpose, standards, and operations of SROs in schools. While CPD's response acknowledged and accepted the core findings of the report, its mixed response to our recommendations was something that recent feedback suggests only aggravated community disconcertment. The SRO program, an important inflection point in the relationship between the police and youth, was treated as meriting eventual, but not immediate, action. Indeed, the appearance was that the City, already entering a third year without an agreement setting standards and governing operations for SROs, was using the draft consent decree that will likely be entered by the federal district court before the end of the year, as a shield or buffer for not at least starting what seemingly can be done now. We additionally have received pointed questions about why the City Council has not called a hearing in response to the report on a subject of high sensitivity to the community but whose recommendations are not being fully embraced, which many expected would be the case under the spirit and letter of legislative reforms to police oversight enacted by the Council to date. And we have heard the absence of a legislative hearing on this topic treated as evidence of why the long-delayed creation of a community oversight commission is needed, as recommended by the Department of Justice.

One lesson in all of this is that in this era of suspicion and mistrust of government, how we engage in reform may often turn out to be as important as the substance of the reforms. An important measure of the community's assessment of any reform may be how public and transparent the reform process is and the metrics by which we measure its implementation. In the absence of more public and transparent engagement, the very best reforms will be deemed suspect, and the patience and trust needed for their effective implementation will be lacking.

In an endeavor to lay part of the foundation for much-needed public transparency, OIC flipped the switch on the Information Portal, which provides the public, legislators, and administrators with user-friendly data visualizations of important aspects of City operations. Additionally, the OIC Information Portal, found at <https://informationportal.igchicago.org>, is based on data that is verified and refreshes daily, fed into an interactive platform, allowing public stakeholders to easily change filters to create data visualizations crafted to more closely meet their local interests. The community response to date can be summarized in a single word-"More."

So while many of the observations and comments here and in the underlying report may be perceived as negative, they are in fact critical with the objective of

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highlighting issues and dynamics that we, this Office included, have opportunities to improve on in the future, as we must, and as we are charged by law to do. We see urgency about and hunger for change from outside government, and a real desire from many quarters within government, to meet this challenge. We will continue to provide the information, analysis, and mechanisms for dynamic engagement for all who pursue it.

Respectfully,

Joseph M. Ferguson Inspector General  
City of Chicago

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## THIRD QUARTER 2018 HIGHLIGHTS

### COMPLAINTS RECEIVED

An Office of Emergency Management and Communications operator disseminated confidential information received during a 911 call, reporting possible criminal conduct to a member of the public. The operator also delayed the call to dispatch until the subject of the call was informed, purposely delaying relevant information to the Chicago Police Department.

### MATTERS CONCLUDED

A Department of Planning and Development clerk accessed 356 pornographic images and videos on two City computers and made inappropriate sexual comments to customers.

### CAMPAIGN

### FINANCE

### RETURNS

### AUDITED HIRING SEQUENCES

The Review of the Chicago Police Department's management of School Resource Officers (SRO) assigned to Chicago Public Schools found that recruitment, selection, placement, training, specification of roles and responsibilities, and evaluations of SROs are not sufficient to ensure officers working in schools can successfully execute their specialized duties.

The Language Access Ordinance Follow-Up found that the Mayor's Office of New Americans has only partially implemented the corrective actions necessary to provide persons with limited English proficiency meaningful access to vital documents and services.

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This quarterly report provides an overview of the operations of the Office of Inspector General (OIG) during the period from July 1, 2018, through September 30, 2018. The report includes statistics and narrative descriptions of OIG's activity as required by the Municipal Code of Chicago (MCC).

## **I. MISSION OF THE OFFICE OF INSPECTOR GENERAL**

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

## **II. INVESTIGATIONS**

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

### **A. COMPLAINTS RECEIVED THIS QUARTER**

OIG received 565 complaints during the third quarter. The chart below breaks down the complaints OIG received during the past quarter by the method in which the complaint was reported.<sup>2</sup>

<sup>1</sup>"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

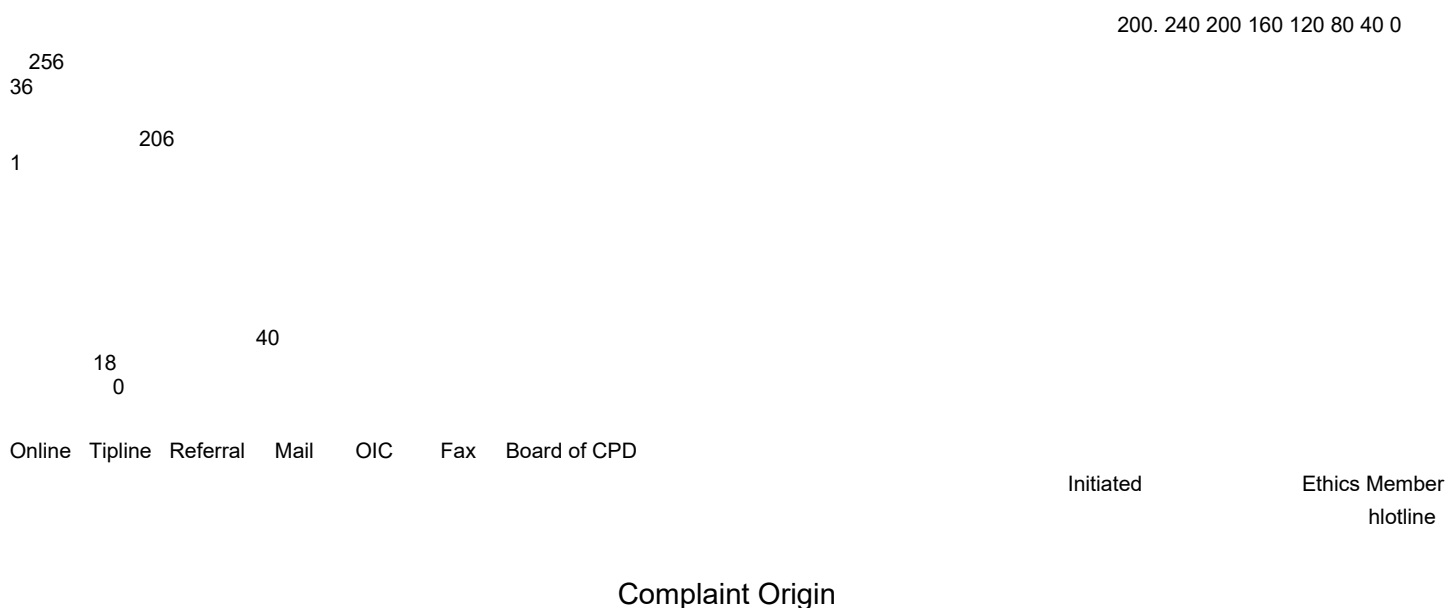
<sup>2</sup>In response to recommendations of the Mayor's Police Accountability Task Force and the U.S. Department of Justice, OIG created, at the request of the Chicago Police Department (CPD), a web-based Member Hotline permitting CPD personnel to file anonymous complaints and suggestions. The recommendation was based on findings that some CPD members, who have an affirmative duty to report misconduct, as mandated both by municipal ordinance and CPD General Orders, were reluctant to comply because of fear of reprisal for doing so and concern that their complaints and information

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## CHART #1 ■ COMPLAINTS BY REPORTING METHOD



Among other factors, OIG evaluates complaints to gauge the investigative viability and potential magnitude or significance of the allegations—both individually and program matically.<sup>3</sup>

## TABLE #1- COMPLAINT ACTIONS

	Number of Complaints
Opened Investigation	24
Pending	84
Referred to Department/Sister Agency	140
Referred to Hiring Oversight	11
Declined	306
<b>Total</b>	<b>565</b>

would be disclosed The CPD Member Hotline addresses this concern through a double-blind registration process that assigns each registering member a unique, untraceable login number The CPD Member Hotline was activated during the fourth quarter of 2017 Since that time, only 21 of 14,011 CPD employees have registered and 12 complaints or suggestions have been received To date, CPD has declined OIC suggestions to mandate registration for all members or, alternatively, to require such registration as a condition of graduation from the Police Academy

<sup>3</sup> 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

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**B. PRIOR QUARTER COMPLAINTS**

OIG also took action on complaints that were pending at the end of the prior quarter-by declining 60 complaints, opening 5 administrative or criminal investigations, and referring 17 complaints to sister agencies. Additionally, one complaint was referred to the Hiring Oversight section. Two complaints remain pending. The following table provides the status of all complaints that were pending at the end of the previous quarter.

TABLE #2 - PRIOR PENDING COMPLAINTS

Status	Number of Complaints	Percentage
Opened Investigation	5	
Pending	2	
Referred to Department/Sister Agency	17	
Referred to Hiring Oversight	1	
Declined	60	
Total	85	

**C. NEWLY OPENED MATTERS**

During the third quarter, OIG opened 206 matters. Of the newly opened matters, 157 were referred to other departments or investigative agencies. A total of 49 cases proceeded to an OIG investigation. Of those cases, 32 remained open at the end of the quarter, 16 were closed administratively, and 1 was closed not sustained.

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

TABLE #3 - SUBJECT OF INVESTIGATIONS AND REFERRALS

Employees	159
Contractors, Subcontractors, and Persons	7
Seeking Contracts	
Elected Officials	21
Licensees	1
Other	18
Total	206

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

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## D. CASES CONCLUDED IN QUARTER

During the third quarter, OIG concluded 201 opened matters, 157 of which were referred to the following: 135 to a City department and 22 to a sister agency or other external agency. Of the remaining concluded matters, 10 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 13 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 21 matters were closed "administratively." A case is closed administratively when, in OIG's assessment, it has been or is being appropriately treated by another agency or department, the matter was consolidated with another investigation or, in rare circumstances, OIG determined that further action was unwarranted.

TABLE #4 - CASES CONCLUDED IN THE THIRD QUARTER

"Status"	Number of Cases
Referred to a City Department	135
Referred to a Sister/External Agency	22
Sustained	10
Not Sustained	13
Closed Administratively	21
Total	201

## E. PENDING MATTERS

At the close of the third quarter, OIG had a total of 158 pending matters, including investigations opened during the quarter.

## F. INVESTIGATIONS NOT CONCLUDED IN TWELVE MONTHS

Under MCC § 2-56-080, OIG must provide quarterly statistical data on pending investigations open for more than 12 months. Of the 158 pending matters, 51 investigations have been open for at least 12 months.<sup>5</sup> The following table shows the general reasons that these investigations remain active.

<sup>5</sup> Of the 51 cases opened longer than 12 months, 14 are criminal matters being conducted under the direction of county, state, or federal prosecutorial bodies.

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

Reason .	Number of Investigations
Complex or resource-intensive investigation, which may involve difficult issues or multiple subjects	40
Extended due to higher-risk, time-sensitive investigations	5
Additional complaints added during the course of the investigation	2
On hold, so as not to interfere with another ongoing investigation	4
Total	51

## **G. ETHICS ORDINANCE COMPLAINTS**

During the third quarter, OIC received six ethics ordinance complaints. OIG declined 1 ethics ordinance complaint because it lacked foundation, 2 ethics ordinance complaints were opened for investigation, and 3 ethics ordinance complaints were referred to the appropriate City department. OIG also declined one formerly pending complaint from the second quarter.

## **H. PUBLIC BUILDING COMMISSION COMPLAINTS AND INVESTIGATIONS**

OIG received one complaint related to the Public Buildings Commission (PBC) that was declined.

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## **III. ADMINISTRATIVE CASES**

OIG investigations may result in administrative sanctions, criminal charges, or both. Investigations leading to

administrative sanctions involve violations of City rules, policies or procedures, and/or waste or inefficiency. For "sustained" administrative cases, OIG produces summary reports of investigation<sup>6</sup>-a summary and analysis of the evidence and recommendations for disciplinary or other corrective action. OIG sends these reports to the appropriate authority, including the Office of the Mayor, the Corporation Counsel, and the City departments affected by or involved in the investigation. When officials are found to be in violation of campaign finance regulations, the law affords them the opportunity to cure the violation by returning excess funds.

## A. CAMPAIGN FINANCE INVESTIGATIONS

The MCC bans City vendors, lobbyists, and those seeking to do business with the City from contributing over \$1,500 annually to any elected City official's or candidate's political campaign. Potential violations of the cap are identified through complaints and OIG analysis. Other rules and regulations such as Executive Order 2011-4 place further restrictions on donations. Once a potential violation is identified, OIG notifies the donor and the donation recipient of the violation and, in accordance with the MCC, provides the individual or 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 27 campaign finance violation matters that involved \$32,400 in disallowed contributions. Details of the cases are provided in the table below.

TABLE #6-CAMPAIGN FINANCE ACTIVITY

Case #	Donation Amount	Donation Source	Amount
18-0589	\$3,200 (2017)	Company doing business with the City	\$1,700
18-0589	\$2,500 (2018)	Company doing business with the City	\$1,000
18-0590	\$3,000 (2017)	Company doing business with the City	\$1,500-
18-0590	\$2,000 (2017)	Company doing business with the City	\$500

<sup>6</sup> Per MCC § 2-56-060, "Upon conclusion of an investigation, the inspector general shall, issue a summary report thereon. The report shall be filed with the mayor, and may be filed with the head of each department, or other agency affected by or involved in the investigation."

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18-0590	\$2,500 (2017)	Company doing business with the City	\$1,000
18-0590	\$2,500 (2018)	Company doing business with the City	\$1,000
18-0591	\$2,000 (2017)	Company doing business with the City	\$500
18-0592	\$3,500 (2017)	Company doing business with the City	\$2,000
18-0593	\$2,000 (2017)	Company doing business with the City	\$500
18-0593	\$2,500 (2017)	Company doing business with the City	\$1000 <sup>7</sup>
18-0594	\$3,500 (2017)	Company doing business with the City	\$2,000

18-0594	\$4,000 (2017)	Company doing business with the City	\$2,500
18-0594	\$2,500 (2017)	Company doing business with the City	\$1,000
18-0595	\$2,500 (2017)	Company doing business with the City	\$1,000
18-0596	\$2,500 (2017)	Company doing business with the City	\$1,000
18-0597	\$2,000 (2017)	Company doing business with the City	\$500
18-0597	\$2,000 (2017)	Company doing business with the City	\$500
18-0598	\$2,500 (2017)	Company doing business with the City	\$1,000
18-0598	\$3,500 (2017)	Company doing business with the City	\$2,000
18-0599	\$2,500 (2017)	Company doing business with the City	\$1,000
18-0602	\$5,600 (2017)	Company doing business with the City	\$4,100
18-0607	\$2,500 (2017)	Company doing business with the City	\$1,000
18-0607	\$2,100 (2018)	Company doing business with the City	\$600
18-0608	\$3,500 (2017)	Company doing business with the City	\$2,000
18-0609	\$2,500 (2017)	Company doing business with the City	\$1,000
18-0609	\$1,800 (2017)	Company doing business with the City	\$300
18-0609	\$1,700 (2018)	Company doing business with the City	\$200

## **B. SUSTAINED ADMINISTRATIVE INVESTIGATIONS**

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

In addition to OIG's findings, each synopsis includes the action taken by the department in response to OIG's recommendations. City departments have 30 days to respond to OIG recommendations.<sup>8</sup> This response informs OIG of what action the

<sup>7</sup> This sum, which was mistakenly deposited to a candidate fund, was not returned but was transferred to the correct ward political fund

<sup>8</sup> 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

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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 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 table lists concluded matters for which OIG has received a department response this quarter.

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

Case Number	Department or Agency	OIG Recommendation	Department or Agency Action
18-0204/18-0203	Finance	Removal from City contractor work	Removal from City contractor work (Discharge)
18-0099	Fleet and Facility Management	Discharge	Discharge
17-0662	Planning and Development	Discharge	Designate as resigned in lieu of discharge
17-0454	Office of Emergency Management and Communications	Discharge	Designate as resigned in lieu of discharge
17-0341	Family and Support Services	Discipline commensurate with gravity of violations	29-day suspension
17-0340	Public Health	Discipline up to and including discharge	29-day suspension; Appeal pending
17-0286	Cultural Affairs and Special Events	Discipline commensurate with gravity of violations	2-week suspension

authority within 15 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)

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Case Number	Department or Agency	OIG Recommendation	Department or Agency Action
17-0148	Water Management	Find probable cause, impose sanctions, and designate as resigned under inquiry	Probable cause finding, Designate as resigned under inquiry
17-0062	Aviation	Designate as resigned under inquiry	Designate as resigned under inquiry
16-0414	Aviation	Discharge	Discharge
16-0368	Aviation	Discipline up to and including discharge	29-day suspension
16-0334	Procurement Services	Debarment	Debarment proceedings initiated
16-0222	Police	Find probable cause and impose sanctions	Preliminary probable cause finding

16-0201 / 16-0182	Buildings	Discharge	Discharge; Appeal pending
16-0023	Water Management	Discharge	Designate as resigned in lieu of discharge
16-0005	Transportation	Discharge	Discharge; Appeal pending
15-0155	Procurement Services	Discharge	Designate as retired in lieu of discharge
14-0332	Procurement Services	Debarment	Debarment proceedings initiated

#### 1. Public Contractor Misconduct (OIG Case #18-0204 & #18-0203)

An OIG investigation established that a parking enforcement officer for a Department of Finance (DOF) contractor solicited monetary bribes to delete parking tickets on three separate occasions and, on two of those occasions, received money in exchange for the illegal acts. On January 12, 2018, the parking enforcement officer solicited and received money from a member of the public in exchange for deleting a parking citation. After receiving the money, the parking enforcement officer still subsequently issued the parking citation. On April 5, 2018, the parking enforcement officer attempted to solicit but did not receive money from an individual in exchange for voiding a parking citation. On April 17, 2018, the parking enforcement officer solicited and received money from an undercover OIG investigator in exchange for voiding a parking citation.

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OIG recommended that DOF seek the immediate removal of the parking enforcement officer from any work on the City's account with the contractor. OIG further recommended that the parking enforcement officer be prohibited from performing any services for the City in the future.

In response, DOF communicated the findings to the contractor, which immediately removed the parking enforcement officer from the contractor's work with the City by terminating employment.

#### 2. Sexual Misconduct in the Workplace (OIG Record # 18-0099)

An OIG investigation established that a Department of Fleet and Facility Management (2FM) employee, on multiple occasions, used a personal cell phone to record the employee masturbating while on-duty at a City facility, and then sent the videos to a teenager the employee had met through Facebook. In addition, the employee, on at least two occasions, used a personal cell phone while on-duty at a City facility to take a photo in which the employee's genitals were exposed, and sent the photos to the same teenager.

OIG recommended that 2FM 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, 2FM discharged the employee and placed the employee on the ineligible for rehire list.

#### 3. Pornographic Materials and Inappropriate Comments (OIG Case #17-0662)

An OIG investigation established that a Department of Planning and Development (DPD) clerk accessed 356 pornographic images and videos on two City computers. The clerk used the internet to search for, and view images of, nude men and women in various sexual positions while at work and logged in under the clerk's own and others' unique user IDs and passwords. The clerk also made inappropriate comments to customers on three occasions by referencing sexual terms.

OIG recommended that DPD discharge the clerk and place the clerk on the ineligible for rehire list maintained by DHR.

In response, DPD initiated the discharge process. The employee then resigned in lieu of discharge. The employee is listed on the ineligible for rehire list.

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##### A Improper Dissemination of Confidential, Operationally Sensitive Information (OIG Case #17-0454)

An OIG investigation established that an Office of Emergency Management and Communications (OEMC) police communications operator (PCO), while on-duty, knowingly disseminated confidential, operationally sensitive information received' during a 911 call to a member of the public, reporting possible criminal conduct. The PCO received a 911 call regarding a woman who allegedly placed a gun in the trunk of her car. The PCO then, using a personal cell phone, communicated that information to the PCO's daughter, who called the woman in question, alerting her to the police's arrival. In addition, the PCO did not send the 911 call to dispatch until the PCO's daughter contacted the subject of the call and called the PCO back, thus purposely delaying the provision of highly relevant information to CPD, which responded to the call without knowledge that the matter was compromised by the unauthorized disclosure.

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

The PCO resigned after being served with a statement of charges and was placed on the ineligible for rehire list.

##### 5. Misuse of City Property (OIG Case #17-0341)

An OIG investigation established that a Department of Family and Support Services (DFSS) support services coordinator misused City property, including the employee's computer, email account, and phone, by conducting unauthorized work for the employee's mother's funeral home business. In 2017, the employee, without authorization, downloaded and accessed the Illinois Vital Records System (IVRS) on a work computer to submit death certificates for the funeral home. The employee also received or sent approximately 55 emails related to TVRS or the funeral home from the employee's City email account.

OIG recommended that DFSS impose discipline against the employee, commensurate with the gravity of the

violations, past disciplinary record, and any other relevant considerations.

In response, DFSS suspended the employee for 29 days.

6. Incompetent Supervision of Public Health Program (OIG Case #17-0340)

An OIG investigation established that two Chicago Department of Public Health (CDPH) supervising disease control investigators (Supervising DCIs) repeatedly directed their subordinates at a CDPH Specialty Clinic to engage in inappropriate

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practices in the Partner Services program, a program designed to reduce the spread of sexually transmitted infections by helping patients identify and notify sexual partners about possible exposure. Specifically, the Supervising DCIs directed communicable disease control investigators (CDCIs) to add sex partner names to patient files when there was no apparent connection between the patients and the partners added. One Supervising DO additionally told a CDCI to maintain lists of partner names that could be added to the files of patients for whom CDCIs could not identify any sexual partners.

By engaging in this conduct, the Supervising DCIs violated City of Chicago Personnel Rules by falsely representing the quality or quantity of work performed; failed to carry out a rule, order, or directive; were incompetent in their duties; violated departmental rules, regulations, or procedures; and engaged in conduct unbecoming a City employee.

OIG recommended that CDPH impose discipline up to and including discharge against the Supervising DCIs, commensurate with the gravity of the violations, past disciplinary and work history, department standards, and any other relevant considerations.

In response, CDPH issued both Supervising DCIs 29-day suspensions. The Supervising DCIs appealed their suspensions.

OIG additionally observed significant confusion among program staff with respect to core job functions, including appropriate methods for identifying and contacting partners, due in part to a lack of clear policies and procedures. OIG therefore also recommended that CDPH take immediate steps to address apparent gaps in its policies and procedures to ensure that CDCIs and supervisors fully understand the expectations and rules that apply to their roles.

CDPH responded that it recognized "there are deficiencies related to Partner Services program policies and procedures, including performance and ethics expectations and core job functions." CDPH reported that this was due "to changes in programmatic processes that better align with national efforts to increase the effectiveness and impact of Partner Services activities." After receipt of OIG's report, the CDPH Partner Services program reviewed its policies and procedures to update them to reflect current program practices. CDPH also said it would "re-train all Partner Services program employees to ensure they clearly understand their job functions and the rules that govern professional and ethical behavior." CDPH updated its policies and procedures by August 31, 2018, and expects to complete training on the updated policies by the end of the year.



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CDPH further acknowledged the challenges associated with having CDCIs assigned to three separate locations: Lakeview, Englewood, and Austin. CDPH was working with 2FM to identify one centralized location to house the full Partner Services program, noting that "[t]his will help to create a more cohesive work environment and promote real-time supervision, mentoring, and continuous performance improvement."

7. Incompetence in Collecting Special Event Permit Fees (OIG Case # 17-0286)

An OIG investigation established that a Department of Cultural Affairs and Special Events (DCASE) employee failed to collect the application processing fee for an event an alderman was organizing, despite being directed to do so by a DCASE superior. Moreover, the employee failed to collect processing fees for over 90 other special event permit applications in 2017, resulting in \$32,200 in outstanding fees.

OIG recommended that DCASE impose discipline against the employee, commensurate with the gravity of the employee's violations, past disciplinary record, and any other relevant considerations.

In response, DCASE suspended the employee for two weeks and provided the employee with a list of written job expectations related to event fee collection that the employee is to complete by the end of 2018.

8. Inappropriate Acceptance of Gifts (OIG Case #17-0148)

An OIG investigation established that a Department of Water Management (DWM) inspector accepted a gift valued over \$50 in violation of the City of Chicago Ethics Ordinance. Specifically, the inspector provided advice or assistance to the owner of a plumbing contractor in exchange for free access for the inspector and the inspector's son to a rooftop viewing of the Chicago Cubs National League Championship Series baseball game.

OIG requested the City of Chicago Board of Ethics (BOE) issue a finding of probable cause that the inspector violated the Ethics Ordinance and impose appropriate sanctions.

Additionally, because the inspector resigned before the completion of OIG's investigation, OIG recommended that DWM issue a formal determination on the violation, designate the inspector as having resigned under inquiry, and place the report along with the Department's response and designation in the inspector's personnel file for consideration in the event inspector applies for re-employment with the City.

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In response, at its July 2018 board meeting, BOE found there was probable cause to believe the inspector violated the Ethics Ordinance. BOE's further adjudication of the matter is pending. DWM concurred with OIG's findings, placed the

report in the employee's personnel file, and designated the employee as having resigned under inquiry.

9. Residency Violation (OIG Case #17-0062)

An OIG investigation established that a Department of Aviation (CDA) employee lived in Lynwood, Illinois, in violation of the City's Municipal Code (MCC) § 2-152-050, requiring its employees to reside in the City. OIG gathered numerous documents that established the employee's residence, including a 2012 mortgage and deed that showed the employee purchased a house in Lynwood. The employee also registered vehicles at the Lynwood Property and had utility records for the Lynwood Property in the employee's name. In addition, during multiple surveillances OIG observed the employee at the Lynwood Property at times associated with morning commutes to and from the employee's workplace.

The employee resigned from CDA before the completion of OIG's investigation. OIG recommended that CDA find that the evidence established a residency violation, designate the employee as having resigned under inquiry, and place OIG's report and the attached evidentiary file in the employee's personnel file for consideration. In the event the employee applied for re-employment with the City.

In response, CDA stated it found that the evidence from OIG's investigation established violations of the City's residency requirement and designated the employee as having resigned under inquiry.

10. Residency Violation (OIG Case # 16-0414)

An OIG investigation established that a CDA employee lived in Lake in the Hills, Illinois, since 2016, in violation of MCC § 2-152-050, requiring its employees to reside in the City. In the course of the investigation, OIG gathered documents including a 2016 deed and mortgage in the employee's name for the Lake in the Hills property. The employee claimed to have purchased the Lake in the Hills property for the employee's spouse to reside in during their marital separation. However, OIG conducted multiple surveillances at the Lake in the Hills property and observed the employee commuting from the Lake in the Hills property at times associated with the employee's weekday commutes.

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

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In response, CDA discharged the employee and placed the employee on the ineligible for rehire list. The employee's appeal of the discharge is currently pending.

11. Solicitation of Money and Incompetence (OIG Case #16-0368)

An OIG investigation established that a CDA administrative assistant at O'Hare International Airport solicited money from an O'Hare ground-handling cargo company's customer service agent who applied for an ID badge. The investigation further established that the administrative assistant improperly terminated the agent's badge after the agent received it. While the agent's badge was still pending, the administrative assistant discussed the administrative assistant's financial

difficulties with the agent and requested money. The administrative assistant's request was in violation of the City of Chicago Personnel Rules, which prohibit the solicitation of any fee or valuable thing that may be construed as a bribe and constituted conduct unbecoming of a City employee. Further, the administrative assistant improperly terminated the agent's badge approximately two hours after the agent received it by marking the badge "stolen" in CDA's system. Evidence indicates that, while the administrative assistant may not have purposely terminated the agent's badge, the conduct was incompetent.

OIG recommended CDA impose discipline up to and including discharge against the administrative assistant, commensurate with the gravity of the violations, past disciplinary record, and any other relevant considerations. In the event CDA imposed discipline less than discharge, OIG recommended that CDA consider whether the administrative assistant should continue with their current responsibilities given their access to sensitive security information.

In response, CDA imposed a 29-day suspension. CDA's response to OIG did not address OIG's recommendation that CDA reconsider the administrative assistant's responsibilities within the position.

#### 12. Public Contractor Theft of City SSA Funds (OIG Case #16-0334)

An OIG investigation established that in 2015, the executive director of a non-profit, which contracted with the City to manage a Special Service Area (SSA), forged the signature of an SSA commissioner on three SSA checks totaling \$5750 and deposited those tax dollars into a bank account the executive director controlled, with the intent to permanently deprive the SSA of the use and benefit of the money.

The executive director ultimately confessed about the forged check to SSA commissioners, but claimed that the checks were used to pay the contractor's advertising expenses with a newspaper that the executive director owned. The SSA's commissioners rejected the purported advertising costs as unauthorized expenses

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and the executive director agreed to repay the stolen funds. The executive director then created fraudulent, inflated invoices from the newspaper to the contractor and convinced the contractor's board to pay the newspaper the same amount the executive director originally stole from the SSA. The executive director then used the contractor's money to repay the SSA. In so doing, the executive director violated multiple Illinois criminal statutes, including forgery, theft, and public contractor misconduct and further violated the City of Chicago's Debarment Rules.

After the executive director's forgery and theft in 2015, the contractor's board of directors was notified of the misconduct yet failed to take any significant action in response. In 2017, a U.S. Bank employee and close friend of the executive director was charged by the Cook County State's Attorney (State of Illinois v. Alyssa Cornejo, 18 CR 0291201, OIG Case #16-0334) with theft of the contractor's funds through multiple cash withdrawals from the contractor's account between August 2016 and March 2017, bearing the forged signature of the contractor's board president. OIG ultimately identified approximately \$22,342 in fraudulent cash withdrawals from the contractor's account. The contractor did not identify these fraudulent withdrawals, suggesting weak financial controls. Moreover, the executive director's serious misconduct in 2015

may be imputed to the contractor pursuant to the City of Chicago Debarment Rules.

In addition, the contractor failed to cooperate with OIG's investigation of this matter. OIG issued a subpoena for records in September 2017 and despite OIG's attempts to communicate with the contractor regarding the subpoena, the contractor failed to respond.

OIG recommended the Department of Procurement Services (DPS) initiate debarment proceedings against the contractor to determine appropriate remedial action and further initiate permanent debarment proceedings against the executive director.

In response, DPS sent letters to the contractor and the executive director, informing them that OIG had recommended both their debarments. The letters also informed them that they had 30 days to submit written answers to DPS concerning OIG's recommendations, after which DPS would make a decision.

### 13. Financial Interest in City Contracts (OIG Case #16-0222)

An OIG investigation established that a CPD officer violated the City of Chicago Ethics Ordinance by having a financial interest in a company that served as a subcontractor on a City contract at O'Hare International Airport. The officer was the president and sole owner of the subcontractor. The officer, relying on advice from the prime contractor, said that they thought the arrangement was permissible, because the City did not pay the subcontractor directly. The officer never sought advice from BOE.

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concerning the subcontractor's involvement in a City contract. The subcontractor owned and operated by the officer worked on the City contract for six years and was paid at least \$175 million during that time.

OIG recommended that BOL find probable cause to conclude the officer violated the Ethics Ordinance and impose appropriate sanctions.

In response, BOE issued a preliminary finding of probable cause and will set a meeting with the officer as provided under MCC § 2-156-385.

### 14. Incompetence and Secondary Employment (OIG Case #16-0201 and 16-0182)

An OIG investigation established that a Department of Buildings (DOB) inspector improperly and incompetently "complied" a property that had uncorrected building code violations. The inspector's supervisor said that after the inspector complied the property, it became a life safety issue and was dangerous for occupants. The inspector's incompetence raised substantial concerns about credibility as a building inspector and created the appearance of preferential treatment for individuals at the property.

Additionally, the inspector failed to disclose and obtain authorization for secondary employment and falsely reported not receiving more than \$1,000 from secondary employment on a 2016 Statement of Financial Interest, a violation of the

Personnel Rules and the City of Chicago Ethics Ordinance. The inspector made false statements to OIG concerning the secondary employment.

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

In response, DOB agreed and terminated the inspector's employment. The inspector appealed the discharge.

15. Residency Violation (OIG Case #16-0023)

An OIG investigation established that a DWM operating engineer lived in Markham, Illinois, in violation of MCC § 2-152-050, requiring its employees to reside in the City. The engineer claimed to live in a relative's home in Chicago, going so far as to create back-dated leases and rent receipts as proof of residence at the City address. However, the engineer admitted to continued overnight stays at the Markham property and that the City address was maintained solely for compliance with the City's residency requirements.

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

In response, DWM began the discharge process but the employee resigned in lieu of discharge. The employee has been placed on the ineligible for rehire list.

16. Falsification of Timekeeping Records (OIG Case #16-0005)

An OIG investigation established that a Chicago Department of Transportation (CDOT) foreman submitted 95 false timekeeping edit request forms over a nearly two-and-a-half-year period. Specifically, the false timekeeping edits bore a photocopy of the foreman's supervisors' signatures without the supervisors' knowledge or permission, a false reason for the time edit request, or both. Of the 95 edit slips, OIG identified 11 on which the foreman used white-out to alter either the date on the photocopy or the basis for the request on the photocopy before it was submitted. Furthermore, the foreman violated CDOT's Time and Attendance Policy by frequently failing to clock in to work more than three times within two adjoining pay periods.

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

In response, CDOT discharged the foreman and placed the employee on the ineligible for rehire list. The foreman appealed the discharge.

17. Theft of City Property (OIC Case # 15-0155)

An OIG investigation established that a DPS employee stole a window from a City-owned vehicle that was awaiting auction at a City salvage yard and then had that window installed on the employee's personal vehicle. Additionally, the employee, who administered DPS' auctions of abandoned and decommissioned City vehicles, left vehicle titles blank for purchasers with whom the employee had a relationship, thereby allowing those purchasers to avoid paying certain fees and taxes. The employee also received free food on multiple occasions from one of those purchasers. The employee subsequently transferred to CDA.

OIG recommended that CDA discharge the employee and refer the employee for placement on the ineligible for rehire list maintained by DHR. OIG further recommended that DPS take appropriate administrative action against four vehicle purchasers for unlawful activities in their capacity as registered participants in City auctions, including their knowing receipt of blank titles, which they used to bypass • state title and tax fee obligations associated with certain auction purchases.

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In response, CDA initiated the discharge process, and the employee retired in lieu of discharge. The employee has been placed on the ineligible for rehire list. DPS permanently disqualified the four vehicle purchasers and any third-parties acting on their behalf from participating in the City's Surplus Asset Auction- program and terminated their access to the City salvage yard.

18. Minority Business Enterprise Fraud (OIG Record # 14-0332)

An OIG investigation established that two companies, one which was a Minority Business Enterprise (MBE) and one that was a non-MBE, engaged in an MBE fraud scheme wherein the non-MBE company performed work on City-funded projects that the MBE company had been subcontracted to perform as an MBE. The companies further sought to conceal their fraud by, among other actions, having the non-MBE company represent its employees as employees of the MBE company by having them use the MBE company's email addresses and wear construction helmets and vests bearing the MBE company's name.

OIG further established that a third company, a non-MBE first-tier subcontractor on the same City-funded projects, also participated in the fraud by performing work for a separate MBE company and concealing the non-MBE's performance of work from the general contractor.

OIG recommended that DPS permanently debar the individual owner of the MBE companies and the four companies involved in the scheme.

In response, DPS sent a letter to the individual owner and the four companies, stating that they each had 30 days to respond to the allegations contained in OIG's report.

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

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

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

### **A. SYNOPSES OF CRIMINAL CASES**

1. State of Illinois v. Alyssa Cornejo, 18 CR 0291201 (#16-0334)

On March 9, 2018, a Cook County Grand Jury returned a five-count indictment against Alyssa Cornejo, a U.S. Bank teller, for felony financial misconduct, including the misappropriation of government funds. This indictment is related to OIG Case # 16-0334, summarized above.

While employed by U.S. Bank as a teller, Cornejo processed a \$5,000 counter withdrawal from South Chicago Chamber of Commerce's (SCCC) bank account while no individual was present at her teller window. SCCC was the service provider for City of Chicago Special Service Area (SSA) #5. SSAs are local tax districts that fund expanded services and programs. The City contracts with local non-profits to administer the SSA's programs.

U.S. Bank security video footage shows Cornejo processing the \$5,000 counter withdrawal with no customer present at

her window, and SCCC's president, whose name is on the withdrawal slip, is not seen entering the bank during that time. Approximately three minutes after Cornejo processes the withdrawal, the video captures her taking an envelope out of her cash drawer and bringing the envelope back to her desk. This envelope is believed to contain the \$5,000. A review of the processed withdrawal slip revealed that the signature, purportedly of SCCC's

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

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president, did not match the signature U S Bank had on file for SCCC's president. SCCC's president denied signing the slip or authorizing the withdrawal

This investigation was conducted by OIG, working in conjunction with the Cook County State's Attorney's Office.

## **B. DEVELOPMENTS IN PRIOR CHARGED CRIMINAL CASES**

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

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

OIG has been notified of one update regarding appeals to HRB or an arbitrator or other actions in the third quarter regarding discipline imposed or other actions resulting from OIG investigations.

### **1. Racist and Offensive Emails, Misuse of City Resources (# 17-0232)**

As reported in the first quarter of 2017, a DWM supervisory employee failed to report and, on multiple occasions, responded affirmatively to, racist and offensive emails while using a City email account and computer. Pursuant to OIG's recommendation, DWM discharged the supervisory employee, which the employee appealed. In May 2018, following the hearing, a hearing officer recommended that HRB uphold the employee's discharge. In September 2018, HRB adopted the hearing officer's ruling, finding that the City presented sufficient evidence to sustain its burden of proof that the employee used a City computer and City email account to send and receive offensive and hateful communications.

## **D. RECOVERIES**

This quarter OIG received no reports of financial recoveries related to an OIG investigation.



## V. 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 reports released this quarter.

### 1. Language Access Ordinance Compliance Audit Follow-Up (#18-0321)<sup>10</sup>

OIG completed a follow-up to its September 2017 audit of the City's compliance with the Language Access Ordinance (LAO), MCC Chapter 2-40, "Citywide Language Access to Ensure the Effective Delivery of City Services." The 2017 audit found that the City was not in compliance with the requirements of the LAO. Specifically, the Mayor's Office of New Americans (ONA) focused its compliance efforts on the seven City departments it deemed fully subject to the LAO, and did not ensure that other departments complied with the Ordinance's mandate to implement those requirements "to the degree practicable." Moreover, none of the seven prioritized departments were in full compliance with the LAO requirements.

Based upon the results of the audit, OIG recommended that the Mayor's Office clarify which LAO requirements apply to each of the various City departments, endow ONA or another entity with the power and duty to enforce compliance with the language access requirements in the manner that other cities have done, and make various other improvements. Based on ONA's follow-up response, OIG concluded that ONA has only partially implemented the corrective actions to which it committed in its response to the original audit. Specifically, ONA identified two more departments- the Chicago Department of Transportation and the Chicago Department of Aviation-it deems subject to LAO, has begun meeting with those departments on a quarterly basis to discuss language access compliance, has provided templates and guidance on language access planning, and has begun identifying areas for improvement of language services. We urged the City to continue implementation of language access improvements.

<sup>10</sup> Published August 23, 2018 See <https://icichicago.org/2018/08/23/language-access-ordinance-commission-audit-follow-up-initiative/>

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2. Review of the Chicago Police Department's Management of School Resource Officers (#18-010S)"

OIG's Public Safety section issued a review of the Chicago Police Department's (CPD) management of School Resource Officers (SRO) assigned to Chicago Public Schools (CPS). OIG reviewed CPD's recruitment, selection, placement, training, specification of roles and responsibilities, and evaluations of its SROs assigned to CPS and established that they are not sufficient to ensure officers working in schools can successfully execute their specialized duties. OIG determined that, since December 31, 2016, CPD assigned officers to CPD without a current legal agreement between the two agencies. Neither CPD nor CPS was able to provide an up-to-date list of SROs and the school locations to which these officers were assigned. OIG recommended that CPD take a number of steps to establish an SRO program that aligns with best practices, including: drafting and implementing a Memorandum of Understanding (MOU) in collaboration with CPS and community stakeholders; establishing hiring guidelines, training, and performance evaluations for SROs; designating a program coordinator; and maintaining regularly updated rosters of officers assigned to CPS.

In response, CPD agreed with many of the recommendations, but indicated that its proposed changes would be implemented as part of the consent decree and would not take effect before the start of the 2019-2020 school year. CPD agreed to undertake best efforts to enter into an MOU; develop a policy defining the roles, responsibilities, and appropriate actions of SROs; develop screening criteria; and ensure training. OIG acknowledged CPD's expressed commitment to making necessary reforms. However, the reforms proposed by CPD in their response did not address a number of crucial areas of concern outlined in the report, such as: the inclusion of community stakeholders, establishing performance evaluations, maintaining updated rosters, and defining the data and information that will be shared between CPD and CPS.

3. Audit of Contractor Compliance with the Chicago Base Wage Ordinance (#16-0469)<sup>12</sup>

In November 2017, OIG completed an audit to determine if security guard and janitorial service contractors and subcontractors complied with the Chicago Base Wage Ordinance. Our original report inaccurately reported that three subcontractors were not compliant with the Chicago Base Wage Ordinance. In June 2018, DPS provided documentation that identified an error in OIG's analysis and showed the

<sup>12</sup> Published September 13, 2018 See <https://icichicago.org/A?OI8/09/L.Vre-v-evv-of-il'e-eh'caqo-Dolice-de Dart men is i nanac 10 men t-of-school-resource-officers/>

<sup>7</sup> Reissued July 3, 2018 See <https://io.chicago.org/2018/07/03/audit-of-the-contractor-correction-union-the-chicago-base-wage-ordinance/>

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subcontractors were in virtually complete compliance with the Ordinance. The contractors and subcontractors had provided OIG a set of employee data, some of which related to City of Chicago contracts and some of which did not. OIG inadvertently included both categories of data in our original analysis. Upon reconducting the analysis, OIG found that while four prime contractors and three subcontractors reviewed in the audit had paid the hourly base wage rate required by the ordinance, one subcontractor paid 12 employees between \$0.02 and \$0.03 less per hour. Those underpayments, however, were retroactively paid.

OIG had recommended that DPS implement procedures to prevent and detect future wage violations. The errors described above notwithstanding, OIG found that the City lacked a standardized process with sufficient controls to provide reasonable assurance that prime contractors and subcontractors comply with the Chicago Base Wage Ordinance. DPS stated it relies on contracting departments to ensure base wage compliance as part of their contract management and monitoring practices. DPS acknowledged, however, that managing departments do not generally collect certified payroll records from contractors and that, in fact, information collected varies widely from department to department. DPS promptly sent a memorandum to City department heads reminding them of their role in monitoring contractor compliance and requesting that departments alert DPS to any irregularities discovered. DPS also met with the Mayor's Office, Department of Finance, Department of Law, and user departments to discuss methods for actively monitoring contractors' wage rate compliance from which DPS advanced a recommendation to standardize invoicing requirements and review procedures across user departments.

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## VI. ADVISORIES AND DEPARTMENT NOTIFICATION LETTERS

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

### 1. Political Content on Aldermanic Social Media Accounts (#18-0165)

OIG notified the City Council Committee on Committees, Rules and Ethics about a concern regarding the practice of sharing political content via social media accounts created and maintained by aldermen acting in their official capacities.

After receiving a complaint regarding the presence of political content on a particular alderman's Facebook page, OIG conducted a review and identified more than ten aldermanic Facebook pages that appeared to function primarily as means for constituents to access City services, government resources, and information about ward events, but also included posts and calendar entries promoting the host alderman's candidacy for office, endorsing other candidates, and/or providing information concerning political fundraisers.

The City of Chicago Ethics Ordinance prohibits the intentional misappropriation of City resources in connection with prohibited political activities, including campaigning for office and distributing campaign material on behalf of other candidates. See MCC §§ 2-156-010(v-l)(II), 2-156-135(b). A cost-free social media account such as a Facebook page is not inherently a City resource, nor does it require City resources to acquire or maintain. However, after consulting with BOE staff, OIG determined that if an alderman or other elected City official creates a Facebook page as a means of interacting with constituents and providing governmental information-e.g., a calendar of job fairs and ward nights, and/or posts promoting such events and otherwise publicizing City services-the public will reasonably view the page as directly related to the official's performance of their governmental duties. When an official utilizes social media in this manner, their page effectively functions as a ward (and therefore a City) resource.

OIG explained that sharing political content via an aldermanic social media page is akin to the conduct OIG warned against in a previous notification sent to the City Council Committee on Committees, Rules and Ethics in December 2017.<sup>13</sup> (That

<sup>11</sup> Published April 16, 2018 See huos//iachicaao O[Ci/vvp-conieni./uoi odds/2018/0^/O;G 1st Ouoi ter-2018-RepoiPdf. p 23-24

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notification addressed the issue of aldermanic websites that both displayed indicia of an official City site and included links soliciting campaign donations and/or promoting political fundraising events.) After consulting with BOE staff, and citing an advisory opinion on precisely that subject issued by BOE in 2015, OIC recommended that the Committee Chair alert aldermen of the need to avoid such impermissible mingling of official and political content. Similarly, presentation of

political content in the apparently official context of a social media account that functions as a ward resource creates the risk that the public will impute to the City the political positions expressed by the alderman.

OIG recommended the Committee take action to advise aldermen that if they, or their staffers on their behalf, maintain a Facebook page, Twitter account, Instagram account, or any other social media presence that effectively functions as a ward resource, they should ensure it does not include political content (e.g., candidate endorsements; completed sample ballots; calendar entries announcing political fundraiser events) and/or links to political content (e.g., campaign websites). OIG stressed that an alderman is free to share political content via any social media account that does not principally serve as and/or appear to be a ward account, such as a personal or campaign Facebook account that is maintained separately from the ward account, and not updated or otherwise accessed on City time or using City-owned equipment, and noted that the working group comprising representatives of City Council, OIG, BOE, and the Department of Law described in the December 2017 letter of notification<sup>14</sup> anticipates proposing further guidance on the issue of social media usage, among other topics.

In response, in September 2018, the Chair of the Committee on Committees, Rules and Ethics informed OIG that she forwarded a summary of OIG's notification via email and hand delivery to all 49 of her City Council colleagues.

## 2. Minority Business Enterprise Fraud (# 12-0907)

OIG notified DPS regarding a concern that City contractors are placing their own employees on the payrolls of Minority/Women-owned Business Enterprise (M/WBE) staffing agencies and then claiming M/WBE credit for the work performed by those employees. More specifically, an OIG investigation established that a City contractor (the Contractor) violated the City's M/WBE Special Conditions over a period of several years by placing its employees on the payroll of two M/WBE staffing company subcontractors, with the subcontractors' permission, and then claiming over \$500,000 of M/WBE credit for the hours those employees worked. In addition, OIG

<sup>14</sup> Published April 16, 2018. See <http://iachicaa.org/wp-content/uploads/2018/04/OIG-1st-Quarter-2018-Report.pdf>. p. 24

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determined that the Contractor conducted outreach for potential employees and then referred the individuals it selected to the staffing companies. Thus, other than processing payroll for the Contractor, the two staffing companies failed to perform a "commercially useful function," as they did not select, manage, or supervise the individuals identified as their employees.

Notably, during OIG interviews, a high-ranking employee of one of the staffing companies said that at least one other City contractor is using the employee's company to obtain M/WBE credit in a similar manner as the Contractor, thus suggesting that there may be a pattern of misconduct with respect to City contractors' usage of M/WBE staffing companies.

During OIG's investigation, DPS confirmed to OIG that a City contractor is only allowed to claim M/WBE credit for the recruiting and placement work performed by a staffing company, and not the work performed by the employees it staffs.

However, DPS acknowledged that it has not promulgated any rules specific to staffing companies, detailing that contractors are prohibited from claiming M/WBE credit for the hours worked by staffed employees. Accordingly, there is the potential for confusion among contractors and staffing companies as to what staffing company-related work can appropriately receive M/WBE credit. DPS further stated that it does not require subcontractors to review or acknowledge receipt of the M/WBE Special Conditions, which set forth that contractors can only claim M/WBE credit for work that is performed, managed, or supervised by an M/WBE. DPS also noted that the user departments, not DPS, approve M/WBE compliance plans for task orders awarded pursuant to master consulting agreements and that DPS does not assess a contractor's M/WBE compliance until contract closeout.

OIG recommended that DPS take action sufficient to (1) identify any current City contractors that are claiming M/WBE credit for work performed by a staffing company; and (2) ensure that any such contractors are only receiving M/WBE credit in accordance with the Special Conditions.

OIG further recommended that OPS consider taking the following actions to prevent future City contractors who subcontract with M/WBE staffing agencies from inappropriately claiming M/WBE credit: (1) create, implement, and disseminate rules and/or guidelines specific to staffing companies to ensure that contractors and staffing companies understand what work can properly receive M/WBE credit; (2) provide additional M/WBE training to departmental employees who are responsible for approving M/WBE compliance plans for task orders awarded pursuant to Master Consulting Agreements; and (3) revise the C2 system to require contractors using M/WBE staffing agencies to identify both the total amount paid to the agency and the amount for which the contractor is receiving M/WBE credit

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OIG also noted that its ability to identify the scope of the issue identified, namely the amount of M/WBE credit that the Contractor received for the purported work of staffing companies, was hampered by the lack of records in DPS's C2 system. Accordingly, OIG requested a meeting with DPS to identify the ways in which the C2 system's recordkeeping could be improved.

In response, DPS, following an in-person meeting and conference call with OIG, stated that among other actions, it would conduct an audit of City contractors that are utilizing MBE or WBE staffing firms to earn M/WBE credit. DPS acknowledged, however, that for Master Consulting Agreements and Task Order-based contracts, DPS "may not be able to determine the extent to which staffing agencies are used on individual Task Orders" because DPS "generally does not approve or monitor compliance plans at the Task Order level, and all Task Orders may not be entered into C2" by the user departments. Accordingly, DPS said it would "coordinate with User Departments to determine how many contractors or consultants utilized staffing agencies" to earn M/WBE credit on Task Orders.

To prevent future violations, DPS stated that it would "develop guidelines specific to staffing companies, which will be disseminated to City staff who are responsible for monitoring MBE/WBE compliance." In addition, DPS said that it would "ensure that - its staff and other City staff responsible for monitoring MBE/WBE compliance receive additional training." DPS also noted that it would explore "what can be done in the C2 system in order to capture the portion of total payments made to MBE/WBE firms that actually count toward MBE/WBE credit." Finally, DPS informed OIG that it is exploring methods to educate the vendor community, such as "providing guidelines specific to staffing companies when [DPS] certifies a staffing company," and "sending guidelines to the prime and subcontractors when [DPS] approves a

compliance plan that includes a staffing company."

With respect to C2, DPS stated that it is looking to update the system "so that [M/WBE] shortfall notices are automatically sent to prime contractors when they are falling short of their commitments." DPS has also begun partnering with the user departments that utilize Task Order-based contracts "to ensure that compliance information is entered and monitored by the User Department," which "has increased the number of Task Orders entered into C2 and overall monitoring of compliance."

## **VII. OTHER REPORTS AND ACTIVITIES**

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

### **1. COPA's Release of Investigative Reports Still Under Review**

OIG notified the Civilian Office of Police Accountability (COPA) about revisiting its practice on releasing reports while a disciplinary case is still under review by the Superintendent, in order to better assure the balancing of interests of transparency and procedural fairness. Following media reporting concerning details within COPA's investigative report on Officer Robert L. Rialmo's fatal shooting of Quintonio LeGrier and Bettie Jones, OIG determined that COPA's release practices for investigative findings and recommendations under consideration by the Superintendent of CPD created the appearance of an accountability system susceptible to external pressure. While the Freedom of Information Act (FOIA) ensures transparency in government records, Section 7(l)(d)(i) of FOIA, exempts the release of records under the deliberations of public officials prior to reaching a final decision.

OIG recommended that COPA revisit its release practices to comply with the time allowed under the Municipal Code. OIG also recommended COPA adhere to its FOIA obligations in a manner that respects both local and state law, ensures the integrity and procedural fairness of the discipline process, and grows the public's trust. COPA concurred with OIG's recommendations.

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## VIII. HIRING OVERSIGHT

Under Chapter XII of the City of Chicago General Hiring Plan, Chapter XI of CPD Hiring Plan, and Chapter IX of the CFD Hiring Plan, OIG is required to review and audit various components of the hiring process and report on them quarterly.<sup>15</sup> 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."

## HIRING PROCESS REVIEWS

### Contacts by Hiring Departments

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

During the third quarter of 2018, OIG did not receive any reports of a direct contact.

### 2. Political Contacts

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

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

During the third quarter, OIG received notice of two political contacts:



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

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- An alderman contacted DHR to recommend a candidate for the Covered Position of seasonal apprentice laborer in DWM.
- An alderman contacted CPD-HR to inquire about the status of an HRB hearing request for the Covered Position of probationary police officer.

#### 3. Exemptions

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

OIG received notification of 40 exempt appointments in the third quarter.

#### 4. Senior Manager Hires

OIG reviews hires pursuant to Chapter VI covering the Senior Manager Hiring Process. Of the 37 hire packets OIG reviewed in the third quarter, 9 pertained to senior manager positions, 2 of which contained an error. The errors involved missing or incomplete documentation, which DHR corrected after being informed of the errors by OIG. Due to the nature of the errors and the corrective action taken, OIG had no further recommendations.

#### 5. Written Rationale

When no consensus selection is reached during a Consensus Meeting, a Written Rationale must be provided to OIG for review.<sup>16</sup>

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

#### 6. Emergency Appointments

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

The City reported no emergency appointments during the third quarter.

## ■ 7. Review of Contracting Activity

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

"■' A "Consensus Meeting" is a discussion that, is led by the DHR Recruit at the conclusion of the interview process During the Consensus Meeting, the interviewers and the Hiring Manager review then respective interview results and any other relevant information to arrive at a hiring recommendation

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

Under the revised Contractor Policy<sup>17</sup>, 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.

In addition to contracts, pursuant to Chapter X of the Hiring Plan, OIG must receive notification of the procedures for using volunteer workers at least 30 days prior to implementation. OIG also receives additional notifications of new interns and/or volunteer workers for existing programs.<sup>18</sup>

DHR and OIG collaborated to update and simplify the City's Contractor Policy. Pursuant to the City's Hiring Plan, DHR shall give 30-day public notice of the amendments prior to the effective date. DHR provided public notice on September 28, 2018.

The table below details contracts and internship opportunities OIG reviewed in the third quarter.

TABLE #8-CONTRACT AND INTERNSHIP OR VOLUNTEER OPPORTUNITY NOTIFICATIONS

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"De&i'tifp ent;i ^ISfs":^;		reem;edt-..^;
Fleet and Facility Management	Energy Management and Advisory Services	36 months
Fleet and Facility Management	Professional Energy Consultation and Service	36 months
Fleet and Facility Management	Repair and Maintenance of Elevators, Dumbwaiters, Wheelchair Lifts and Related Equipment	60 months
Law	Third Party Claims Administrator	60 months
Law	Volunteer Program	Ongoing
Office of the Mayor	Volunteer Program	8 months

"Revised June 7, 2017

""Chapter X R 6 of the General Hiring Plan

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Contracting Department	Contractor,. Agency, Program, or Other. Organization .-	Duration of: Contract./ Agreement
Public Health	Temporary Psychiatrist Services	Ongoing violation <sup>19</sup>
Public Health	M3 Medical Management Services	5.5 months
Public Health	M3 Medical Management Services	6 months
Water Management	Tradesmen Services	60 months

## B. HIRING PROCESS AUDITS

### 1. Modifications to Class Specifications,<sup>20</sup> Minimum Qualifications, and Screening and Hiring Criteria

OIG reviews modifications to Class Specifications, minimum qualifications, and screening and hiring criteria. In the third quarter, OIG received notifications that DHR changed the minimum qualifications for six titles within the following departments: Aviation, Public Health, Transportation, and Water Management.

OIG reviewed each of the proposed changes to minimum qualifications and had two objections. In those instances, OIG had concerns regarding managerial duties, and the use of equivalencies. OIG recommended more specific language, which the departments accepted.

### 2. Referral Lists

OIG audits lists of applicants/bidders who meet the predetermined minimum qualifications generated by DHR for City positions. OIG examines a sample of referral lists and notifies DHR when potential issues are identified.

In the third quarter, OIG did not audit any referral lists.

### 3. Testing

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

<sup>19</sup> For details regarding this ongoing violation, please see <https://oig.cityofchicago.org/vvp-content/uploads/2018/01/OIG-4th-Quarter-2017-Report.pdf>

<sup>20</sup> "Class Specifications" are descriptions of the duties and responsibilities of a Class of Positions that distinguish one Class from another. They are, in effect, the general descriptions utilized to determine the proper level to which a Position should be assigned, and they include the general job duties and minimum qualifications of the position. Class Specifications shall include sufficient detail so as to accurately reflect the job duties.

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materials<sup>21</sup> for 27 test administrations<sup>7-7</sup> covering 8 City departments, which were completed during the

second quarter of 2018

OIG identified three errors affecting three test administrations, described in more detail below. None of the errors affected a candidate's placement on a referral list or a selection decision. OIG did not request any further action regarding the errors.

a. Department of Water Management - Stationary Fireman

OIG observed that the percentage of a candidate's score was not rounded correctly. DHR confirmed the candidate's score and corrected the oversight. The update did not affect the selection decision.

b. Chicago Department of Transportation - Seasonal Sign Hanger

OIG observed that the grading of a candidate's answer sheet did not conform to the answer key. DHR confirmed that the candidate should have received credit for this item and rescored the exam correcting the oversight. The rescoring did not affect the selection decision.

c. Office of Emergency Management and Communications

OIG observed that three candidate scoring sheets appeared to be scored incorrectly. DHR confirmed the test score, and that the percentage scores for all candidates were appropriately calculated. The error did not affect the selection decision.

In addition to the errors found during the quarterly audit, DHR self-reported one error regarding the 2FM equipment dispatcher test. Specifically, a DHR testing administrator distributed the answer key to a group of ten candidates. A candidate alerted the testing administrator to the issue, and the keys were collected before candidates viewed more than the first page of the exam. After analyzing the score sheets for all 66 candidates who sat for the test, DHR decided to remove each of the

<sup>21</sup>"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

<sup>22</sup>A "test administration" is complete 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

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questions on the first page from the score analysis. DHR explained that testing administrators will be instructed to prepare all testing materials at least three business days before the administration date and to always have another Loam member review the materials beforehand. OIG did not have any further recommendations.

#### 4. Selected Hiring Sequences

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

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

In the third quarter, OIG completed an audit of hire packets for 28 hiring sequences completed during the second quarter of 2018. OIG selected these hiring sequences based on risk factors such as past errors, complaints, and historical issues with particular positions. These hiring sequences involved 17 departments. Of the 28 hire packets audited, OIG did not identify any errors. OIG did not request any further action from DHR.

#### 5. Hiring Certifications

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

OIG reviewed 37 hire packets in the third quarter and two contained a Hire Certification error.

#### 6. 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 that are not covered by a collective bargaining unit and which are located within a district or unit.

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

In the third quarter, OIG completed an audit of five non-bid duty assignment sequences and four non-bid unit assignments completed during the second quarter of 2018. OIG did not find any errors. However, OIG identified a concern related to the use of exceptions to the continuous service requirement for a non-bid duty assignment. OIG also noted an irregularity regarding the assessment of candidates for a non-bid unit assignment.

While reviewing one of the non-bid duty assignments, OIG noted that the Notice of Job Opportunity (NOJO) required assigned CPD personnel to have "at least three (3) years continuous service." However, the NOJO also allowed an exception by providing a "detailed written justification" for the assignment of CPD personnel with less than three years of continuous service. Pursuant to the NOJO, the justification could include, "prior police experience, military, etc." OIG determined that 6 of the 13 individuals assigned did not have 3 years of continuous service. Although a justification letter accompanied each of these assignments, some of the explanations provided were insufficient to justify use of the exception. Specifically, the written justification letters for two assigned officers indicated that both of the assigned officers had been partnered with or mentored by other "exemplary" officers who had "an outstanding complimentary history" and/or other commendations. The justifications for both assignments centered largely around the experience and accomplishments of non-candidate police officers.

Following the audit, OIG recommended that CPD-HR and/or the Bureau of Patrol consider providing guidance to districts on how to evaluate the continuous service requirements for non-bid duty assignments and how to ensure that, going forward, any exceptions to a time-specific requirement are rooted in objective and verifiable criteria. In its response, CPD-HR stated that the affected bureau would ensure that future NOJOs are "clear, concise and articulate" and that "any variance [from the continuous service requirement] must be supported by verifiable information (i.e. supervisory observation)." CPD-HR further stated that the affected bureau and CPD-HR will review all Justification Memos and ensure "that they are written in a manner which clearly delineates how the justification is tied to the minimum and desired qualifications"

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While reviewing one of the non-bid unit assignments, OIG discovered that two of the interviewers for the sequence provided candidate ratings that were inconsistent with the responses provided by the candidates during their interviews. OIG discovered that, for one of the established hiring criteria ("accreditation experience"), the interviewers rated several candidates as demonstrating "some of the competency," even though the interviewers' notes indicate that the candidates had no experience relevant to the hiring criteria. OIG recommended that CPD-HR take steps to ensure that interviewers at the unit level understand that their assessments of a candidate's competency must be consistent with the responses provided by the candidate. In its response, CPD-HR advised that the two interviewers have been re-trained on how to

complete the Candidate Assessment Forms used during interviews. CPD-HR attributed the inconsistencies to a misunderstanding about how to rate the candidates.

## 7. 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 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.

In the third quarter, CFD did not process any specialized unit assignments. However, in the first quarter, OIG did not report that an audit of 19 selected CFD specialized unit assignment sequences had been completed. OIG identified six errors affecting five assignment sequences. Each of the errors involved incorrectly marked Hire Certifications or Candidate Assessment Forms. In response, CFD provided corrected documents. OIG did not request any additional action regarding the documentation errors.

Additionally, OIG had one process recommendation regarding insufficient notes taken during CFD-HR Consensus Meetings. CFD stated they will properly document all candidates discussed during Consensus Meetings.

## 8 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

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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 third quarter, OIG monitored 6 Intake Meetings, 0 tests, 13 sets of interviews, and 11 Consensus Meetings. The table below shows the breakdown of monitoring activity by department.<sup>23</sup>

TABLE #9 -OIG MONITORING ACTIVITIES IN THE THIRD QUARTER

j.Dje'parti^ent^	Intake',. . : V Meetings . ^'; M'pn.itore,d ;<p;d t\$%	Tests ••'•*•• ; ihteyfyj.e.w-: . . V:i .;,Mphitorfe^;Mdnjtored. - ;	vCd.nse.r^sus; ; :M'e!etin:gs- • tjMppitpiieyd^
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Aviation			2	2
Business Affairs and Consumer Protection	2			
Cultural Affairs and Special Events			1	1
Finance			1	1
Fleet and Facility Management			2	1
Transportation				1
Public Health			2	1
Fire	1			
Planning and Development	1		1	1
Police	2		3	1
Public Library				1
Treasurer's Office			1	1
Totals	6	0	13	11

9. Acting Up<sup>24</sup>

OIG audits the City's compliance with Chapter XI of the General Hiring Plan and the Acting Up Policy. OIG received notice of 10 DHR-approved waiver request to the City's 90-Day Acting Up limit in the third quarter.<sup>25</sup>

<sup>23</sup> If a department is not included in this table, OIC did not monitor any elements of that department's hiring sequence(s)

<sup>24</sup> "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

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TABLE #10 - ACTING UP WAIVERS IN THE THIRD QUARTER

Department	Acting Position	Number of Employees/	Date of 'Response - , ■	Expiration of Waiver
Fleet and Facilities Management	Foreman of Hoisting Engineers	1	7/26/18	10/31/18
Water Management	Operating Engineer, Group A (OEA)	1	7/30/18	9/30/18
Water Management	Chief Mason Inspector	1	7/30/18	9/30/18
Water Management	Assistant Chief Operating Engineer	1	7/30/18	9/30/18
Public Library	Librarian IV	1	7/30/18	10/31/18
Transportation	Foreman of Sign Shop	1	7/31/18	End of 2018 construction season or until position is filled
Water Management	Assistant Chief Operating Engineer	1	9/13/18	9/30/18



Aviation	General Foreman of Sheet Metal Workers	2	9/13/18	10/31/18
Aviation	Foreman of Electrical Mechanics	1	9/13/18	12/31/18
Aviation	Foreman of Construction Laborers	1	9/13/18	11/30/18

<sup>2</sup>- Pursuant, to the Acting Up Policy, no employee may serve in an Acting Up assignment in excess of 90 days in any calendar year unless the department receives prior written approval from DHR. The department must submit a Waiver Request in writing signed by the Department Head at least 10 days prior to the employee reaching the 90-day limitation. If the department exceeds 90 days of Acting Up without receiving a granted Waiver Request from DHR, the department is in violation of the Policy.

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#### 10. Arbitrations and Potential Resolution of Grievances by Settlement

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

During the third quarter of 2018, OIG did not receive notice of any settlement agreements from DHR.

### C. REPORTING OF OTHER OIG HIRING OVERSIGHT ACTIVITY

#### 1. Escalations

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

In the third quarter, OIG received notice of three escalations and concluded two. Details of the concluded escalations are reported below. OIG will report on its findings for the third escalation and the department's response in a future quarterly report.

##### a. ■ Chicago Department of Public Health Building Construction Inspector

On July 31, 2018, a DHR recruiter escalated the CDPH building construction inspector hiring sequence to the Hiring Oversight section of OIG. The recruiter reported that one out of the three interviewers had not completed a Candidate Assessment Form for the interviewed candidates.

OIG determined that CDPH violated Chapter 11.C.V. of the Hiring Plan by failing to ensure the consistency of interviewers for all candidates and not providing advance notification to DHR and/or OIG of the change in interviewers during the interview process. OIG recommended that CDPH exclude any assessments completed by the third interviewer that was

not present for all the interviews and reschedule the consensus meeting with the two interviewers present for the entire sequence. CDPH held the Consensus Meeting on August 23, 2018, which was monitored by OIG. Further, OIG recommended that DHR recruiters: (1) establish at the Intake Meeting that, absent exigent circumstances, each interviewer must interview all candidates, and (2) remind Human Resource Liaisons (HRLs) to confirm the interview panelists' availability while scheduling candidate interviews DHR and CDPH agreed with OIG's recommendations.

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b. treasurer's Office Data Services Administrator

On August 2, 2018, DHR escalated the data services administrator hiring sequence in the Treasurer's Office to the Hiring Oversight section of OIC. DHR reported that the two interviewers for the sequence recorded both of their interview notes on one Candidate Assessment Form instead of independently completing individual assessments as required by the Hiring Plan.

On August 31, 2018, OIC submitted its findings to DHR and the Treasurer's Office. OIC found that the two interviewers violated the Hiring Plan. Specifically, the interviewers admitted to OIC that they discussed and agreed upon candidate ratings after each interview in violation of Chapter V.B.8-10 of the Hiring Plan. OIG recommended conducting new interviews for the sequence, with new interview questions, and a new interview panel. OIG recommended that DHR schedule a session of interview and consensus training specifically for the Treasurer's Office staff prior to the department conducting the rescheduled interviews. Lastly, OIG reaffirmed a previous escalation recommendation that the Treasurer's Office administrative and human resources staff attend an upcoming session of the HRL workshop/training.

In response to OIG's recommendations, DHR facilitated interview and consensus training for the Treasurer's Office. Additionally, the Treasurer's Office agreed to implement each of OIG's recommendations. The Treasurer's Office conducted a new round of interviews and a consensus meeting which OIG monitored.

2. Processing of Complaints

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

OIG received 11 complaints related to the City's hiring practices in the third quarter. The table below summarizes the

disposition of these complaints, as well as those pending from the previous quarter.

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**TABLE #11 - HIRING OVERSIGHT COMPLAINTS RECEIVED IN THE THIRD QUARTER**

Complaint Status	Number of Complaints
Pending From Previous Quarter	0
Received This Quarter	11
Opened Investigation	1
Declined	7
Referred to Department	3
Complaints Pending as of End of Quarter	0

Hiring Oversight closed two cases in the third quarter, both of which were not sustained.

**TABLE #12- HIRING OVERSIGHT CASES IN THE THIRD QUARTER**

	Number of Cases:
Pending From Previous Quarter	18
Opened This Quarter	1
Closed Not Sustained	2
Closed Sustained with Recommendation	0
Closed Administratively	0
Cases Pending as of End of Quarter	17

