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TONI PRECKWINKLE

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April 15, 2013

Honorable Toni Preckwinkle
and Members of the Board of Commissioners
of Cook County, Illinois
118 North Clark Street
Chicago, Illinois 60602

Re: Independent Inspector General Quarterly Report (1st Qtr. 2013)

Dear President Preckwinkle and Members of the Board of Commissioners:

This report is written in accordance with Section 2-287 of the Independent Inspector General (OIIG) Ordinance, Cook County, Ill., Ordinances 07-O-52 (2007), to apprise you of the activities of this office during the time period beginning January 1, 2013 through March 31, 2013.

OIIG Complaints

The Office of the Independent Inspector General received a total of 140 complaints during this reporting period.¹ Please be aware that 40 OIIG investigations have been initiated. This number also includes those investigations resulting from the exercise of my own initiative (OIIG Ordinance, Sec. 2-284(2)). Additionally, 25 OIIG case inquiries have been initiated during this reporting period while a total of 150 OIIG case inquiries remain pending at the present time. There have been no matters referred to other enforcement or prosecutorial agencies for further consideration.

In connection with the recently opened investigations by the OIIG, the following is a general description of the issues under review:

¹ Upon receipt of a complaint, an OIIG complaint number is assigned to the contact and a triage/screening process of each complaint is undertaken. In order to streamline the OIIG process and maximize the number of complaints that will be subject to review, if a complaint is not initially opened as a formal investigation, it may also be reviewed as an "OIIG inquiry." This level of review involves a determination of corroborating evidence before opening a formal investigation. When the initial review reveals information warranting the opening of a formal investigation, an "OIIG Investigation" number is assigned. Conversely, if additional information is developed to warrant the closing of the OIIG Inquiry, the matter will be closed.

- Dumping waste on FPD property;
- Employee misuse of credit card and manipulation of the FPD permit process;
- Post-SRO matters (5 cases)
- Failure to file mandated Statement(s) of Economic Interest (11 cases);
- Wide-spread time card fraud at three County facilities (3 cases);
- Worker's Compensation fraud;
- Destruction of government records;
- Sex/gender harassment;
- Failure of an employee to report a criminal conviction;
- Contract fraud;
- Theft by depositing a payroll check twice by use of a photographic deposit;
- Time theft (i.e. receiving pay without reporting for duty) and dual employment violations (3 cases);
- Violations of hiring protocols;
- Misuse of FMLA leave;
- Theft of cash reserves;
- Review of overtime policies and overtime use involving 2 operating units within the County (2 cases);
- Failure to cooperate during an OIIG investigation;
- Failure to adhere to Cook County/FPD policies by employees (2 cases);
- Misuse of Federal grant funding (i.e. Grant Fraud) (2 cases).

The OIIG currently has a total of 98 matters under investigation. The number of open investigations beyond 180 days of the issuance of this report is 63 due to various issues including the nature of the investigation, availability of resources and prosecutorial considerations.

OIIG Summary Reports

During the 1st quarter of 2013, the OIIG issued 18 summary reports. The following is a general description of each matter and whether an OIIG recommendation for remediation/discipline has been adopted, if applicable due to the time permitted for corrective action. Specific identifying information is being withheld in accordance with the OIIG Ordinance where appropriate.

IIG10-0029. This matter involved a 2012 review of the Cook County Forest Preserve District (FPD) random drug testing program. The review was intended to follow up on a 2011 OIIG investigation of the program and resulting recommendations made to the FPD. In relation to the recommendations the FPD agreed to implement following our initial findings, this review has confirmed a good faith effort on the part of the FPD to comply with applicable federal and state regulations, to improve testing practices, and to protect confidentiality and maintain integrity of the random drug tests. As a result of our review, some additional recommendations were made which are currently pending.

IIG11-0043. This matter involved follow up site inspections of field offices of the Department of Transportation and Highways (Highway Department) conducted by the OIIG in 2011. Our follow up site inspections were conducted on December 26, 2012 and revealed certain problems that had not been rectified since the initial OIIG report. Specifically, we previously reported that the Department was engaged in systematic dumping of dirt and sewage collected during street sweeping operations and leaving the accumulated debris on the County's premises. Additionally, during our Site Inspections in 2011, we found that a facility garage door was damaged and never repaired at District Office 5. This condition makes the District vulnerable to break-in and increased energy costs. As a result, additional recommendations for remedial action were made by this office. Those recommendations are currently pending.

IIG11-0055. In this matter, the OIIG initiated an inquiry into inventory management, including the reutilization and disposal practices, across Cook County Government and the Cook County Health and Hospitals Systems (CCHHS). The inquiry revealed instances of mismanagement, waste, abuse and fraud-related issues. Some examples of poor inventory management discovered included (i) approximately 30 new office cubicles still in their boxes that were purchased by the Highway Department and shipped during 1995 at total cost of \$78,096, (ii) 25 boxes of Xerox ink cartridges and toners in their boxes that were ordered by Juvenile Probation but never opened and that can no longer be returned for a refund, (iii) pallet full of electronic telephone equipment purchased for \$20,000 still in unopened boxes that can no longer be returned to the vendor for a refund due to the equipment's age, (iv) unopened box with shipping label date of January 2001 containing new office cabinet. These were just some of the examples of problems caused by inadequate inventory management procedures. Several recommendations were made which are currently pending.

IIG12-0037. This matter involved a Cook County employee who presented for an interview at the OIIG regarding an unrelated investigation. This employee was found to be in possession of an automatic knife ("switchblade") and a straight razor. These instruments are unrelated to the employee's job and are unauthorized weapons. Cook County Personnel Rule 8.03(b)(5) prohibits unauthorized possession of weapons. Moreover, the Illinois Criminal Code makes it unlawful to possess or carry a switchblade knife. *See* 720 ILCS 5/24-1(a)(1)(Unlawful Use of Weapons). The Criminal Code also recognizes that the possession of such a weapon in certain government buildings such as the one at issue is an aggravated factor. *See* 720 ILCS 5/24-1(c)(2)(possession of a switchblade in a building used by the Circuit Court for official business is a class 4 felony). Based upon the serious nature of this violation, we recommend the imposition of a significant level of discipline. Management responded by terminating the employee's employment with the County.

IIG12-0052. This investigation involved a Post-SRO complaint filed pursuant to the *Supplemental Relief Order for Cook County* ("SRO") entered in connection with the *Shakman v. Cook County*, 69 C 2145 (N.D. Ill.) litigation. The complainant alleged that she was the victim of political discrimination within the President's Office of Employment Training (POET), now known as Cook County Works. The OIIG investigation revealed that the complainant was not entitled to relief under the terms of the *Shakman* SRO.

IIG12-0056. This investigation involves allegations that an employee in the Recorder of Deeds Office engaged in political activity during work hours. The investigation revealed that the subject employee did in fact distribute political flyers in the workplace in violation of personnel and ethics rules. In addition, the investigation revealed instances in which the subject employee was found to have been “nodding off” during the work day. Finally, the evidence supports the conclusion that this employee failed to cooperate with the OIIG investigation providing false and misleading information during his OIIG interview. Because of the number and serious nature of the infractions involved, it was recommended that, should management elect to continue his employment, the employee should receive a minimum 20 day suspension. The employee was terminated from his employment by the Recorder’s office.

IIG12-0060 and IIG12-0063. These investigations involved similar Post-SRO complaints filed pursuant to the *Supplemental Relief Order for Cook County* (“SRO”) entered in connection with the *Shakman v. Cook County*, 69 C 2145 (N.D. Ill.) litigation. The complainants both alleged that they were subjected to unlawful political discrimination when they were laid off from their positions within the President’s Office of Employment Training (POET), now known as Cook County Works, and were denied other positions in that office. The OIIG investigation revealed that the complainants were not entitled to relief under the terms of the *Shakman* SRO.

IIG12-0067. In this case, it was alleged that a former high ranking official in the Cook County Recorder’s Office removed job postings after being contacted by an individual acting on behalf of an Illinois State Representative. The alleged purpose in removing the posting was to allow the positions to be filled by the new Recorder after an upcoming election. The investigation revealed that the subject official’s conduct in responding to the wishes of an elected official to cease non-exempt hiring within the Recorder’s Office stood in direct violation of the terms and spirit of the *Judgment Entered Upon Consent of Cook County Recorder of Deeds* entered in *Shakman v. Cook County Recorder of Deeds*, 69 C 2145 (N.D. Ill. May 22, 1992) and a Recorder of Deeds’ Executive Order and specifically violated the prohibition against unlawful political discrimination. Accordingly, we recommended that the subject official, who now holds an exempt position in another Cook County agency, be relieved of any duties that involve the hiring, promotion, demotion, transfer and discharge of non-exempt staff. That recommendation was only partially adopted.

IIG12-0074. In this case, the OIIG received a complaint that an employee in the Forest Preserve District (FPD) falsified his employment documentation by indicating that he had a high school diploma when he in fact did not have one and then later bragged about the falsification. The investigation revealed that the subject employee did not have a high school degree, which was a mandatory requirement for both his initial job with the FPD and the current position that he held. Under the circumstances, we recommended that the subject employee’s employment be terminated. The employee has been terminated.

IIG12-0075. This investigation was initiated following the receipt of a complaint alleging that a high ranking official in the Cook County Health and Hospitals System, an employee of a

Women or Minority Business Enterprise (W/MBE) subcontractor, had a conflict of interest when he engaged in the Information Technology (IT) procurement process because he is able to improperly use his influence in the selection of the IT contractors and/or their W/MBEs. Concerns were also expressed that the subject official was in a position to misappropriate proprietary information for the benefit of himself or his W/MBE employer. The preponderance of the evidence developed in this investigation did not support a finding that the subject official improperly used his influence in the selection of IT contractors and/or their W/MBEs. Additionally, the evidence fails to support a conclusion that the official had been in a position to misappropriate proprietary information for the benefit of himself or his employer. Nonetheless, the investigation has revealed the delicate balance that exists when contractors are relied upon to perform leadership functions customarily performed by CCHHS employees who do not have a direct pecuniary interest in a contract for the provision of services to CCHHS. As a result, we recommend that the official be included in the Disclosure Statement protocol of the CCHHS Conflict of Interest Policy to ensure the he avoids even the appearance of a conflict of interest. The recommendations are pending.

IIG13-0002. This matter involved allegations that an official in the Forest Preserve District misused his assigned take-home government vehicle. Subpoenaed I-Pass transponder records and witness interviews revealed that the official in fact misused his government vehicle by using it on numerous days he was not recorded as working (including holidays and weekends), driving it near the Wisconsin border where he had no official FPD business, and transporting family members in violation of FPD policy. We recommended the imposition of a substantial level of discipline consistent with similar cases involving FPD employees. This recommendation is currently pending.

IIG13-0003. This investigation involved a Post-SRO complaint filed pursuant to the *Supplemental Relief Order for Cook County* ("SRO") entered in connection with the *Shakman v. Cook County*, 69 C 2145 (N.D. Ill.) litigation. The complainant alleged that she was the victim of political discrimination when she was denied promotions in the Public Defender's Office. The OIIG determined through its investigation that the complainant was not entitled to relief under the *Shakman* SRO.

IIG13-0021. The OIIG received information that a Cook County Health and Hospitals System employee was observed at work wearing an electronic monitoring device. Because an electronic monitoring device suggests the likelihood of a criminal conviction and because certain criminal convictions have employment implications for workers in the healthcare industry, the OIIG initiated an investigation. The investigation confirmed that the subject employee had in fact been convicted of a DUI that resulted in an accident and a death, a Class 2 Felony. While this type of conviction does not preclude service in the healthcare industry, it did result in a violation of the CCHHS Personnel Rules which provide that it is a major cause infraction for an employee to have a "[c]onviction of a criminal offense, or plea of *nolo contendere* regardless of whether on duty or on the premises of any System facility, with the exception of situations where the System elects to accept a waiver as granted pursuant to the Illinois Healthcare Worker

Background Check Act.” Accordingly, we recommended that discipline be imposed. This recommendation is currently pending.

IIG13-0022. The OIIG initiated this investigation based upon allegations that a Forest Preserve District (FPD) employee was working “side jobs” and possibly involved in the misappropriation of FPD property. Due to his job responsibilities, the employee was authorized to charge supplies and materials when needed for various repair assignments he was performing. This investigation failed to uncover evidence that the subject employee misappropriated government property. However, the employee did admit to working “side jobs” during the past several years and failing to file a Dual Employment Form. Our office recommended the imposition of disciplinary action consistent with other similar circumstances involving the failure of a FPD employee to complete a Dual Employment Form over a period of several years and made recommendations regarding policies for better internal controls. These recommendations are currently pending.

IIG13-0023. The OIIG received a report that a single payroll check issued to a seasonal life guard was discovered to have been deposited in her checking account on two separate occasions. The account was held jointly with her mother. The initial deposit was made by use of a mobile phone using the bank’s mobile phone application, which was how the employee claims she makes her deposits. Approximately six months later, the same check was re-deposited at an ATM near the employee’s residence where a bank surveillance camera captured the image of a female depositing the employee’s payroll check. This check was deposited past the 90 day “stale date” which the bank failed to notice. The FPD alerted bank officials concerning this issue which has resulted in the bank debiting the former employees’ account while reimbursing the FPD. Although the bank corrected the error and the FPD sustained no financial loss, the OIIG investigation continued to determine whether intentional misconduct was involved on the part of the FPD employee. However, due to lack of cooperation of the employee’s family members and boyfriend, we were unable to identify the person making the ATM deposit. As the subject employee is no longer employed by the FPD, this matter was suspended pending a future application for seasonal employment by the employee.

IIG13-0030. This investigation involved a Post-SRO complaint filed pursuant to the *Supplemental Relief Order for Cook County* (“SRO”) entered in connection with the *Shakman v. Cook County*, 69 C 2145 (N.D. Ill.) litigation. The complainant was a nurse at the Cook County Health and Hospitals System who was terminated for allegedly violating CCHHS Personnel Rules 8.03(c)(4) (abuse/harassment of patient), 8.03(c)(7) (gross insubordination), 8.03(c)(8) (willful misconduct), 8.03(c)(25) (conduct which brings discredit to CCHHS; harms or has the potential to harm another) and 8.03(c)(34) (conduct an employee should reasonably know is prohibited). Based upon the preponderance of evidence developed in the course of the investigation, the OIIG determined that impermissible political factors were not considered in the employment decisions made with respect to the subject position.

IIG13-0036. This investigation was initiated based on an anonymous online complaint alleging that a Cook County Highway Department vehicle had been illegally parked in

handicapped parking spaces at a particular restaurant on multiple occasions. The complainant provided both the vehicle identification number and license plate number of the subject vehicle which allowed the OIIG to identify the employee to whom the car was assigned, an Assistant District Supervisor in the Department of Transportation and Highways. During the investigation, the subject employee admitted to the allegations against him but stated that he only parked the County vehicle in designated handicapped parking spaces when there was a fresh snow fall and the lot had not been plowed. He further explained that in those instances he only parked there briefly to go into the restaurant to get a cup of coffee. Although offered in mitigation, we believe that these statements represent an aggravating factor insofar as his illegal parking was done at a time when handicapped parking is most important to those who truly need the accommodation. A member of the Department of Transportation and Highways should be especially sensitive to such circumstances. We recommended that appropriate discipline be imposed, and the Department elected to impose a one-day suspension without pay.

Activities Relating to Unlawful Political Discrimination

Political Contact Logs

In April of 2011 the County implemented the requirement to file Political Contact Logs with the Office of the Independent Inspector General. The Logs must be filed by any County employee who receives contact from a political person or organization or any person representing any political person or organization where the contact relates to an employment action regarding any applicant or County employee. The OIIG acts within his authority with respect to each Political Contact Log filed. From January 1, 2013 to April 12, 2013, the Office of the Independent Inspector General received eight Political Contact Logs and opened an inquiry with respect to each.

Post-SRO Claims – Cook County

On February 22, 2012 Judge Schenkier signed the order transitioning to the Office of the Independent Inspector General the duty to investigate all Complaints filed pursuant to the Supplemental Relief Order in the *Shakman* litigation. Previously all Complaints were referred to the Post-SRO Complaint Administrator. In the last quarter, the OIIG has received an additional five *Shakman* Post-SRO Complaints and has opened an OIIG investigation with respect to each. Concurrently, the OIIG concluded Investigations and issued final reports in eight preexisting investigations of PSRO Complaints.

Post-SRO Claims – Recorder of Deeds

The OIIG has concluded two Post-SRO claims involving the Recorder's office and received one new Post-SRO complaint during the subject reporting period. The OIIG also initiated two UPD related matters involving *Shakman* exempt employees in the Recorder's office. As outlined below, the Recorder has failed to comply with requests for interviews and the production of documents asserting that the issues under investigation do not implicate the SRO

and, further, that the OIIG lacks jurisdiction over the Recorder's office in non-SRO related matters.

New UPD Investigations – Cook County

Apart from the above PCL and PSRO activity, the OIIG has opened three additional UPD inquiries during the last reporting period. Additionally, the OIIG has opened an investigation into an alleged violation of the OIIG Confidentiality Agreement which took place during an inquiry being conducted pursuant to a PCL.

OIIG Enabling Ordinance Jurisdictional Issues

As previously reported, a matter under OIIG investigation involved the issuance of a subpoena to the Office of the Cook County Assessor. The subpoena sought information maintained by the Assessor's office relating to the misuse of the Homeowner's Exemption by an employee within the office and other issues. The Assessor's office has failed to comply with the subpoena and asserted that the OIIG lacks jurisdiction over that office.

The OIIG enabling ordinance specifically provides that the OIIG has the authority to "investigate corruption, fraud... under the Offices of the President as well as the separately elected County officials..." See Section 2-284(2) of the Independent Inspector General Ordinance, Cook County, Ill. Ordinances 07-O-52 (2007). Pursuant to our request, the State's Attorney filed a motion for the appointment of a Special State's Attorney to represent this office in litigation to enforce the subject subpoena, which was recently granted by the Circuit Court. As a result, Alex Polikoff and Emily Blumberg of Business and Professional People for the Public Interest (BPI) were appointed to serve as the Special State's Attorneys to represent the OIIG. The appointment of a Special Assistant State's Attorney is necessary because the State's Attorney has chosen to represent the Assessor's office in regard to this subpoena. Therefore, it would be a conflict for the State's Attorney to also represent the OIIG in the same legal matter. Now that counsel has been appointed, the matter will proceed in the Circuit Court.

Please also be advised that on March 25, 2013, the Recorder of Deeds provided written notice to this office that it objects to the OIIG exercising jurisdiction over the Recorder's office in a similar manner as the Assessor. The Recorder's position regarding the OIIG's jurisdiction as set forth in the enabling ordinance came to light in connection with two OIIG investigations involving *Shakman* exempt employees of the Recorder. As you know, the Recorder's SRO requires the OIIG to undertake any Post-SRO claims filed by those asserting violations of the SRO in Recorder employment related activities. The SRO also authorizes the OIIG to self-initiate investigations involving violations of the SRO that do not involve a Post-SRO complaint. See Recorder SRO, Art. V, Section A, Para. 2. The OIIG initiated two such investigations involving Recorder *Shakman* exempt employees. However, the Recorder's office objected to the investigations and refused to produce requested records and present two officials for interview asserting that the issues were not UPD related. The Recorder's office also set forth its position

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objecting to OIIG jurisdiction in any investigation, whether it relates to UPD or other issues related to corruption, fraud, waste or mismanagement.

In addition to Post-SRO claims and the UPD related investigations cited above, the OIIG has five other pending investigations arising out of the Recorder's office operations. Notwithstanding the Recorder's failure to recognize OIIG jurisdiction, we will endeavor to complete these and any additional matters involving the Recorder's office.

Legislative Activity Relating to OIIG Matters

On April 27, 2012, the OIIG issued a public report relative to its investigation of the Northfield Woods Sanitary District and the activities of its appointed Board of Trustees. As outlined in that report, the jurisdiction of the OIIG over District matters and the ability to conduct OIIG investigations was unclear because the Board of Trustees, while appointed by the President of the Cook County Board of Commissioners and confirmed by the Board, are not County employees and do not operate by County funding. Similarly, the applicability of the Ethics Ordinance was also in question. In June 2012, the OIIG submitted proposed legislation to various officials in State government seeking to clarify this issue. Rep. Laura Fine has sponsored legislation known as the Illinois Local Government Appointee Ethics Act (House Bill 2925) that has been co-sponsored by numerous Representatives and is scheduled for a Second Reading in the House of Representatives.

On January 24, 2013, the OIIG proposed legislation designed to support veteran's preferences in Cook County employment practices. This issue came to light during an OIIG investigation that revealed the former veteran's preference provisions outdated. As you know, this Board recently amended the Human Resources Ordinance that includes provisions updating veteran's preference in Cook County employment.

Thank you for your time and attention to these issues. Should you have any questions or wish to discuss this report further, please do not hesitate to contact me.

Very truly yours,



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Independent Inspector General
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cc: Mr. G.A. Finch, Chief of Staff, Office of the President
Mr. Carlos Ponce, Deputy Chief of Staff for Operations
Ms. Laura Lechowicz Felicione, Special Legal Counsel
Dr. Ramanathan Raju, Chief Executive Officer, Health and Hospitals System
Ms. Elizabeth Reidy, General Counsel, Health and Hospitals System
Mr. Arnold Randall, General Superintendent, Forest Preserve District