



# Office of the Independent Inspector General

*“[T]o detect, deter and prevent corruption, fraud, waste, mismanagement, unlawful political discrimination or misconduct in the operation of County government.”*

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**Quarterly Report  
1st Quarter 2017**

**April 14, 2017**

THE BOARD OF COMMISSIONERS

**TONI PRECKWINKLE**  
PRESIDENT



OFFICE OF THE INDEPENDENT INSPECTOR GENERAL

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April 14, 2017

Via Electronic Mail

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. 2017)

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 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, 2017 through March 31, 2016.

**OIIG Complaints**

The Office of the Independent Inspector General (OIIG) received a total of 95 complaints during this reporting period.<sup>1</sup> Please be aware that 11 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, 37 OIIG case inquiries have been initiated during this reporting period while a total of 189 OIIG case inquiries remain pending at the present time. There have been 5 matters referred to management or other enforcement or prosecutorial agencies for further consideration. The OIIG currently has a total of 17 matters under investigation. The number of open investigations beyond 180 days of the issuance of this report is 17 due to various issues including the nature of the investigation, availability of resources and prosecutorial considerations.

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<sup>1</sup> Upon receipt of a complaint, 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, the matter is upgraded to an "OIIG Investigation." Conversely, if additional information is developed to warrant the closing of the OIIG Inquiry, the matter will be closed.

### **OIIG Summary Reports**

During the 1st Quarter of 2017, the OIIG issued 16 summary reports. The following provides a general description of each matter and states whether an OIIG recommendation for remediation/discipline has been adopted, if applicable, due to the time period permitted for corrective action. Specific identifying information is being withheld in accordance with the OIIG Ordinance where appropriate.

IIG16-0244. The OIIG initiated this review following media reports that certain City of Chicago aldermen were being offered the opportunity to purchase tickets to attend the Chicago Cubs World Series by the Chicago Cubs organization at the printed face value of the tickets. This office sought to ascertain whether this opportunity was also made available to members of the Board of Commissioners and other County officials and whether any violations of the County's Code of Ethics had occurred. Our investigation revealed that three Cook County Commissioners had obtained World Series tickets at face value through the Cubs organization. Two of those Commissioners had consulted with a representative of the Board of Ethics prior to obtaining the tickets and were informed that there were no conflicts or ethical concerns relating to the matter. The representative of the Board of Ethics had opined that the issue of members of the Board of Commissioners being provided with the opportunity to purchase World Series tickets at face value is not prohibited by the Code of Ethics because the Cubs are not a "prohibited source" as defined by the Code and, therefore, the prohibitions relating to soliciting gifts and favors are inapplicable. (A prohibited source would include a person or entity that is seeking official action from the County, does or seeks to do business with the County, conducts a regulated activity or otherwise possesses a special interest that could be affected by a County official's exercise of discretion).

While the commissioners who accepted the Cubs' offer for tickets approached the circumstances cautiously and proactively sought guidance from the Board of Ethics in two cases, our analysis of the Code of Ethics led to the conclusion that ethics violations had in fact occurred. We looked not only at the rule prohibiting gifts from a "prohibited source" but also to the duty to avoid the "appearance of impropriety," which was codified into the Code of Ethics on October 5, 2016. With regard to the purchase of the World Series tickets, the guiding principle must include a consideration of whether having the uncommon access to purchase these tickets created an appearance of impropriety in the eyes of the public. It is without question that during the days leading up to the World Series, the general public was not able to contact the Cubs organization directly and purchase a World Series ticket while the possibility of purchasing a ticket for face value in the secondary market was very unlikely. Media outlets reported that World Series tickets with a face value of \$175.00 to \$450.00 were selling for \$1,500.00 to \$5,000.00 on the secondary market. By accepting the offer, the commissioners were receiving what amounts to a discount worth thousands of dollars that most members of the public undoubtedly would have pursued if available to them. There is no question that the face value offer made just days before the first game of the World Series was unique, tangibly valuable and available only to elected officials. In other words, but for their positions as elected officials, the commissioners would not have been offered this benefit and otherwise would have been left in

the same position as any other member of the public hoping to witness history, standing in line or making endless phone calls all for the remote possibility to pay far above face value. For this reason, we found that a reasonable member of the public would find the existence of an appearance of impropriety in these circumstances. We recommended that the County provide training or similar written guidelines to assist officials and employees in identifying potential circumstances that give rise to the appearance of impropriety. We issued our recommendation on March 14, 2017 and have not yet received a response from the County.

IIG16-0305. In this case, the OIIG received an anonymous online complaint alleging that certain Stroger Hospital police officers were illegally parking their personal cars on a regular basis in spots dedicated for handicapped parking and patient drop off. The complaint further alleged that the police were issuing tickets to other cars parked illegally in the area but not to the personal vehicles owned by the police officers, which all had Fraternal Order of Police badges on them. The complainant alleged that, besides being an abuse of power, the illegal parking directly affected patient care by interfering with patient transport. To investigate these allegations, an OIIG investigator visited the parking garage area described in the complaint on ten separate occasions over a two week period. Whenever an apparent unauthorized vehicle was observed in one of the spaces, a photograph of the vehicle (which included its license plate) was taken. The vehicle license plate number was subsequently checked through a database to determine the vehicle's registered owner. If supplemental information was needed to clarify the vehicle registration information, the Illinois Secretary of State's Record Inquiry Unit was contacted. To determine if the registered owner of the vehicle was an employee of CCHHS, the owner's name and partial Social Security Number was compared to the names and Social Security Numbers on a CCHHS employee database.

The preponderance of evidence obtained during this investigation substantiated the complainant's allegations that at least two Stroger police officers – as well as a Hospital Security Aide and other CCHHS employees – have been parking their private vehicles in spaces designated for Home Transportation Drop Off parking and/or the adjacent “No Parking” areas in violation of CCHHS policies. In addition, the preponderance of evidence indicated that certain employees have been improperly parking in spaces designated for disabled/handicap parking. We found it unfortunate that CCHHS employees who are not recognized as persons with disabilities may be preventing disabled employees and/or patients from parking in spaces designated for their exclusive use. In addition, CCHHS should expect and receive better from its police personnel who should be setting an example for proper and professional conduct.

We recommended that CCHHS management take whatever action deemed necessary to address and resolve the parking issues, including prompt and uniform enforcement. In addition, we recommended that management endeavor to promote confidence among its staff that all CCHHS employees are equally subject to the provisions of the law and will be held to the County's expectations of proper conduct. CCHHS adopted the OIIG recommendations by counseling all of the subject employees regarding their misconduct and terminating their parking privileges.

IIG15-0342. The OIIG opened this case after receiving information that political factors were involved in the hiring of a family member of a Congressman into a non-exempt position in the Office of the Recorder of Deeds (Recorder) in violation of the 1992 Consent Judgment in *Shakman v. Cook County Recorder of Deeds*, 69 C 2145 (N.D. Ill.). The evidence obtained during our investigation supported a sustained finding of the allegations. Specifically, the subject employee, who initially met the Recorder of Deeds while campaigning for another elected official, was seeking employment with the Recorder and believed that this could be accomplished if he became a dedicated volunteer with the Recorder's political organization. Thereafter, he traveled approximately 70 miles each Saturday for several months in order to volunteer for the political organization in his effort to become employed by the Recorder. It was during these hours volunteering that he was introduced to other employees of the Recorder who also volunteered, including high ranking employees of the Recorder. The volunteers often met on Saturdays when the Recorder would normally be present. In this environment, a high ranking official in the Recorder's Office who also volunteered for the Recorder's political organization, with the support of the Recorder of Deeds, would signal to all volunteers that employment with the Recorder was possible by announcing job openings to those present at the political organization and encouraging them to apply. This laser-like focus of recruitment activity by the official was unique in that the recruitment announcements were limited to the political organization and thus established a nexus between the Recorder's political organization and employment with the Recorder. The subject employee even explained in his OIIG interview that his motivation in volunteering at an organization so far from his residence was to obtain employment with the Recorder.

In addition to supporting the finding against the Recorder's Office for violation of the *Shakman* Consent Judgment, the evidence also supported a finding against the Recorder for failing to cooperate with the OIIG investigation as she is required to do under federal court order and the OIIG Ordinance. Specifically, this office sought requested documents (lists of volunteers for the Recorder's political organization) under the control of the Recorder via email, letter and subpoena. A subsequent interview of the Recorder was also sought to ascertain the reasons why the records were not being tendered. All requests went to no avail. This effort extended months and finally concluded with a specious objection and refusal to release the subject records.

Finally, we found that the high ranking official in the Recorder's Office who announced Recorder employment opportunities to volunteers at the Recorder's political organization violated the recruiting activity section of the Recorder's Employment Plan. The OIIG recommended: (1) that the Recorder suspend all external recruitment efforts as contemplated in Recorder Employment Plan until such time when the Recorder establishes a policy formulating a politically-neutral approach to recruitment activities, (2) that the Recorder comply with the OIIG requests for information and present for an interview within 21 days, and (3) that all Recorder employees obtain the necessary training before engaging in future recruitment activities which are subject to the Recorder Employment Plan. The Recorder has requested additional time to respond to the OIIG recommendations.

IIG14-0161. In this matter, the OIIG conducted a compliance review to determine whether new invoicing requirements for sole source contracts under the Procurement Code were in place and being followed. The issue arose from a prior OIIG investigation that revealed fraud involving a number of sole source contracts authorized by two high ranking officials of a prior administration. In the prior investigation, the perpetrators focused on sole source contracts under a certain dollar amount so as to avoid the scrutiny associated with competitive bidding and formal Cook County Board approval. During our investigation, we discovered that these sole source contracts were given to associates of the perpetrators in exchange for kickbacks or other consideration and that the contractors were paid in advance but did little or no work. During interviews, most contractors could not provide details of when their alleged work was performed, and they were not required to provide such detail under the provisions of their contracts or the Procurement Code as they existed at that time. As a result of our investigation, we recommended changes to the Procurement Code requiring recipients of no bid, sole source contracts to provide specified details in their invoices for services performed to safeguard against the abuses that had occurred in the past. The Procurement Code was subsequently amended to address the issues of detailed invoices and advance payment for services.

In order to determine whether the new requirements of the Procurement Code were implemented and were being followed, we obtained and reviewed all sole source service contracts, invoices, voucher forms, and purchase orders for less than \$150,000.00 for a ten month the period. We also spoke to staff with the Procurement Office and the Comptroller's Office. Based on our compliance review, we made findings regarding the sole source service contracts used by the Procurement Office, the invoices submitted by sole source contractors, and the related payments made by the Comptroller's Office. With respect to the contracts, we found that the professional service contract currently used by the Procurement Office for sole source contractors does not contain all of the language required by the Procurement Code and that the same professional contract is used regardless of whether or not the procurement is by the sole source method. With respect to invoices, we also found that nearly 90% of the invoices submitted by contractors contained none of the detail required by the Procurement Code, let alone the higher level required for sole source contracts. Instead, they simply contained language such as "for services retained" without providing a description of the work performed or when it was performed. Finally, with respect to payments by the comptroller's office, we found that all invoices in our pool were in fact paid despite the fact that nearly all of them lacked the level of detail required by the Procurement Code or even the lower level of detail required by the current contract. In addition, five invoices were paid in advance of work being initiated or completed despite the prohibition on advance payments as set forth in the Procurement Code.

Based on our findings, we recommended: (1) that the Procurement Office amend its current contract for professional services to be consistent with the Procurement Code, (2) that different forms be used for sole source contracts, (3) that invoices for services on a sole source contract be marked as such, (4) that only the most current form of a contract be used, (5) that the Comptroller's Office refuse to pay deficient invoices, and (6) if performing a review of invoices for compliance with the Procurement Code is viewed as too great of a burden to place on the Comptroller's Office, that the County seek to amend the Procurement Code to place that

responsibility on an official in the department for which the services are performed. These recommendations were made on February 14, 2017. To date, we have not received a response from the County.

IIG16-0102. The OIIG initiated this investigation after receiving a complaint alleging that a doctor at the Cook County Health and Hospitals System (CCHHS) failed to swipe-in for a three day period during which she was scheduled to work after returning from four weeks of Family and Medical Leave Act (FMLA) leave. The complainant also questioned whether the subject doctor was ever physically present at the hospital during the dates in question.

The OIIG investigation revealed that during the three day period at issue, the subject doctor did not swipe in at any clock stations. During this period, the subject doctor also did not use her swipe access card in any area of the hospital whereas the following business day, after the three day period, it was used 14 times. During the three days in question, the subject doctor did not make any entries in patient records or make phone calls or send any emails whereas her phone and email were used on the following business day. During her interview with OIIG investigators, the subject doctor denied being absent on the days in question but could not remember exactly what she did. She stated that she was on administrative time until the following week when she returned to clinical duties. The doctor stated that she attended a particular professional development event during that time, but investigators later discovered that her name was not on the sign in sheet for the event. The doctor also stated that she remembered speaking to her supervisor during that three day period because he came to console her, but hospital records show that her supervisor was actually on vacation during that entire time period. The doctor could not provide any other evidence that she was at work during that time or identify any individuals who would have seen her during the subject time period.

Based on the preponderance of evidence, the OIIG found that the subject doctor failed to report to work for the time period at issue and thereby violated personnel rules by converting and misappropriating county compensated time for private gain. She then made false and misleading statements to OIIG investigators in violation of County ordinance in an attempt to conceal her misconduct after specifically being warned verbally and in writing that failure to answer questions truthfully could subject her to discipline up to and including discharge. Based on the serious nature of the violations and consistent with past County practice, the OIIG recommended that the subject doctor be terminated and that her name be placed on CCHHS's *Ineligible for Rehire List*. However, CCHHS rejected the OIIG findings and recommendations and did not impose any discipline on the subject doctor other than to counsel her regarding the requirements of swiping in on days she is at work.

IIG15-0300. The OIIG initiated this investigation after learning that an official in the Judicial Advisory Council (JAC) failed to utilize the proper procurement process and hired a contractor for consulting services whose owner was the subject of negative news reports for failing to perform work for prior clients and for misrepresenting her credentials to clients and the public. The subject official admitted that she did not go through the Procurement Office before hiring the subject contractor because she needed someone quickly and did not realize that she

had to go through the Procurement Office when proceeding with a sole source contract. Because she did not obtain a contract for the services, the subject official had to get payment for services approved by the Cook County Board. At the Cook County Board meeting, the subject official was questioned as to the hiring of the subject contractor and the allegations of prior misconduct by the contractor that had been reported in the media. The subject official proceeded to provide misleading information to the Board of Commissioners regarding her vetting of the subject contractor and checking her references. Specifically, the JAC official told the Board that she checked the contractor's references, that the contractor had a long standing relationship with the City of Chicago, that the contractor had done contract work for the City of Chicago, and that the City of Chicago found the contractor's work to be satisfactory. The OIIG's own investigation revealed that the subject contractor never performed any work for the City of Chicago. In an interview with OIIG investigators, the JAC official admitted that she never spoke to anyone at the City of Chicago regarding the subject contractor. Our investigation of the credentials provided by the subject contractor revealed that she made several false statements in documents provided to the County regarding her education and civic activities.

Based on the evidence, we found that the subject County official violated the Procurement Code, acted negligently in the performance of her duties in failing to properly vet a contractor for hire, and breached her fiduciary duty in making misleading statements to the County Board. We further found that the subject contractor violated the County Code by making false statements regarding her credentials. We recommended that the County impose disciplinary action on the subject JAC official and that the County seek disqualification of the subject contractor for a period of five years and that it consider the imposition of a monetary penalty against the contractor in accordance with the Procurement Code.

The County rejected all of the OIIG recommendations. The County stated that the JAC official was relatively new to her position at the time she failed to follow the Procurement Code and that she relied on her staff. The County stated that the JAC official was already admonished for failing to ensure her department's compliance with the procurement rules and that it did not support any additional discipline. The County stated that it does not support the finding of breach of fiduciary duty because it does not agree that the subject JAC official intentionally misled the Board but believes rather that she may not have been as clear as she could have been on the issue of checking references. Based on the Chief Procurement Officer's (CPO) belief that it is not within her authority to disqualify a contractor or seek penalties for contracts not issued under the authority of the CPO, the County will not seek disqualification or penalties in this case. The County stated it will create a training memo for new employees in management positions regarding procurement procedures to help prevent unauthorized contracts in the future. In addition, the County stated it will work with the CPO to clarify the CPO's ability to disqualify contractors and issue penalties under the Procurement Code through any necessary Code amendments.

IIIG15-0219. The OIIG conducted this contract review after receiving complaints regarding the performance of a Cook County Health and Hospitals System (CCHHS) contractor that received a contract worth over \$28 million. The subject contractor was responsible for the



managerial and operational functions for environmental services, patient transportation and food/nutritional services at Stroger Hospital, Provident Hospital and the Oak Forest campuses.

The results of the contract review identified several problem areas that negatively affected the contractor's performance and the outcome of the contract. Core deficiencies identified were weak contract management and oversight, the lack of continuity of the contractor's management personnel, insufficient full time equivalent employees, chronic employee absenteeism, and lax enforcement of policies and procedures. Other factors included employee intimidation, workplace violence, use of overtime, average length of time to hire an applicant, and an insufficient training and orientation program for the contractor's managers who provide supervision of CCHHS employees.

The trend toward outsourcing has resulted in CCHHS depending upon contractors to perform daily operational functions. With the increase in the number of contractors and service providers performing mission critical functions, the contract management process is becoming vital to CCHHS's capacity to efficiently and effectively serve its mission. The circumstances surrounding the subject contractor's five year engagement demonstrate the need to refocus efforts toward contract management and performance oversight responsibilities. Importantly, CCHHS's management team recently demonstrated its commitment to address contract management issues with the distribution of a memorandum specifically addressing these responsibilities. In addition to those efforts, we made the following recommendations: (1) CCHHS procurement personnel should prioritize their operations by stressing contract management and oversight as well as follow the direction provided in the referenced memorandum; (2) the directions provided in the above-referenced memorandum should be incorporated into the CCHHS Procurement Policy; (3) the current evaluation form entitled "Periodic Performance Monitoring of Service Contractor" should be revised to include the three general areas of Administration, Fiscal and Program Service Delivery with specific criteria within those areas such as management of overtime, effectiveness of contract personnel, cooperation, professional behavior, regulatory compliance, and quality of product or service delivered; (4) CCHHS should revise its procurement policy to require annual reporting of contractor performance and key performance indicators in its contracts; (5) contractors who are responsible for managerial, supervisory and operational responsibility over CCHHS departments and employees must be held accountable for policy enforcement; (6) the CCHHS Police Department should document each incident involving an employee being escorted off campus for purposes of de-escalating a potential physical altercation between employees and forward such reports to the attention of HR and Labor Relations personnel; (7) CCHHS should replace the Police Departments archaic records system with a digitalized report writing system; and (8) CCHHS should enhance efforts to resolve the systemic problem with attendance. These recommendations are currently pending.

IIG14-0555. We initiated this review to determine if Cook County Health and Hospitals System (CCHHS) employees working part-time are being credited with leave benefit earnings at the same rate as full-time employees. During the initial phase of our review, we learned that the CCHHS payroll system was previously incapable of distinguishing between part-time and full-

time employees for leave accrual purposes which permitted part-time employees to accrue leave at the same rate as full-time employees. However, a new payroll system was installed which is capable of applying leave benefit accruals based upon an employee's work status. A test of the new system revealed that the part-time employees are now accruing a percentage of sick and vacation leave in accordance with the number of hours that the employees actually work and are no longer accruing the same leave benefits as full-time employees. Based on the implementation of the new payroll system and the impracticality of seeking collection of leave benefits historically granted to certain part-time employees, no recommendations for remedial action were offered.

IIG15-0109. In this case, the OIIG received a complaint that the Forest Preserve District (FPD) was in violation of the Illinois Endangered Species Protection Act (IESPA) and the Illinois Administrative Code "Consultation Procedures for Assessing Impacts of Agency Actions and Threatened Species and Natural Area" (Code). IESPA requires anyone engaging in an activity likely to result in the destruction of a designated essential habitat of an endangered or threatened species to engage in a consultation process with the Illinois Department of Natural Resources (IDNR). The Code also requires local governments to engage in a consultation process when any change to an existing environmental condition is planned. The complainant alleged that she prepared an Ecological Management Schedule for the Schaumburg Grasslands when there had been multiple sightings of the endangered black-billed cuckoo in the area. It was alleged that the FPD failed to initiate the consultation process in spite of the black-billed cuckoo sightings and that the schedule proposed modifications compromising the black-billed cuckoo's habitat.

We found insufficient evidence existed to support the conclusion that the actions contemplated by the ecological management schedule for the Schaumburg Grasslands were "likely to jeopardize the continued existence of Illinois listed endangered and threatened species" or "result in the destruction or adverse modification of the essential habit of the species." See 520 ILCS 10/11 (b). There was only one documented report of a black-billed cuckoo habitat in the past seven years. Although the complainant reported to this office that a volunteer steward saw a black-billed cuckoo in the Schaumburg Grasslands in 2015 (which this office could not verify), the IDNR does not track or count witnessing a bird without evidence of breeding.

There is evidence, however, that the FPD was not in compliance with the Illinois Administrative Code, Title 17, ch. 1, pt. 1075.30(a) requiring consultations. The FPD and the IDNR both apprised this office that they are currently working together to complete a Memorandum of Understanding for an expedited consultation process for the FPD. The IDNR has recognized that the current consultation fee structure would be cost-prohibitive for the FPD and, further, that the FPD is most likely in the best position to create its own ecological management schedules as it possesses a full staff of ecologists and conservationists to develop conservation-focused plans. We found that once the FPD became aware of the expanded consultation mandate, the FPD took appropriate corrective action to comply with these provisions.

IIG15-0256. This investigation was initiated after developing information in an unrelated investigation suggesting that Cook County procurement policies were not adhered to when a former Director of the Department of Facilities Management changed an existing vendor for fire alarm servicing at the jail from Vendor A to Vendor B. The investigation was initiated to determine the process and purpose for the change in vendors to service the equipment. The investigation revealed that a foreman requested the switch in vendors because Vendor A failed to appropriately respond to Cook County requests for maintenance on the system. After a search for vendors, it was determined that only Vendor B had the capacity to perform the work on the system and the interest in doing the job. Due to the specialized skill possessed by Vendor B, and the threat to public safety if the systems were not properly maintained in a timely manner, the foreman chose Vendor B without competitive bidding. The foreman notified the Board of Commissioners of his intent to switch vendors and submitted a Sole Source Justification letter to the Chief Procurement Officer prior to making any purchases from Vendor B. The Cook County Code does allow for procurement of supplies, equipment, goods or services without competitive bidding if there is either one source or there is a need for the unique or specialized skill, experience, or ability possessed by a particular source. Accordingly, the evidence did not support a finding of any policy violation.

IIG15-0369. In this case, the OIIG received a complaint alleging that a Cook County Animal and Rabies Control Officer was observed parking his vehicle in front of his residence and his mother's residence during working hours for extended periods of time. The OIIG conducted random and periodic examinations of the GPS tracking history of the employee's vehicle over a one year period. The monitoring occurred twice a month on a random basis and each search covered a five-day historical period. Each examination revealed a computerized matrix of the location of the employee's vehicle and the number of minutes the vehicle remained stationary at any particular location. Our review of this data field failed to identify a pattern of activity consistent with the allegations. The employee's vehicle did not enter the proximity of the employee's residence or that of his mother during working hours. Our review did reveal instances wherein the employee's vehicle remained parked for 30-45 minutes at a time; however, those instances fell during the employee's lunch period or occurred at the main location of the Department of Animal and Rabies Control. Based on the lack of supporting evidence, the allegation against the employee was not sustained.

IIG16-0104. This matter involved a review conducted by the OIIG regarding the Volunteer Resources Office (VRO) of the Cook County Forest Preserve District (FPD) and its protocols to monitor and control FPD property. During the review, the OIIG conducted interviews of VRO personnel and reviewed inventory and financial records. The OIIG review revealed that while the VRO has appropriately managed certain assets in its control, it relies too heavily on informal policy and practice rather than formal written policies and procedures to effectively record and maintain property and equipment. Additionally, the VRO has a process for ordering supplies and equipment and has implemented an informal policy to record only certain items in inventory without taking into consideration other property of high dollar value or susceptible to theft (*e.g.*, power tools and binoculars). Establishing a set threshold and recording all property and equipment ensures assets are not simply "lost" over time but also that the items

are disposed of in accordance with FPD surplus property procedures. Similarly, the VRO does not have established policies and procedures concerning the assignment of FPD property to volunteers. Finally, while all gift cards within the scope of the review have been accounted for, gift card-related procedures within the VRO lack adequate segregation of duties (internal controls).

Based the findings, the OIIG recommended the following: (1) the VRO, in consultation with the FPD Comptroller's Office, should develop policies and procedures to establish and maintain a system of accounting and reporting that provide for effective control over property and other FPD assets. Such a system should include a comprehensive ledger that identifies the item, its location, quantity, acquisition date, cost, and other pertinent information; (2) the VRO should perform a physical inventory and verify the existence and exact location of all FPD property; (3) the VRO should develop a master property list that is complete and accurate; (4) the VRO should establish criteria for placing property in the inventory system. Specifically, the criteria should establish a set dollar threshold and ensure items having a high risk for loss are properly recorded; (5) the VRO should develop requisite forms to properly track the assignment of property that is maintained at a volunteer's personal residence and ensure that the property is retrieved when appropriate; and (6) the VRO Manager should delegate her gift card administration duties to other VRO staff members so that no one employee has the ability to authorize transactions, have custody of the cards and record the corresponding reduction in the inventory records. These recommendations are currently pending.

IIG16-0130. This investigation was initiated in response to a complaint alleging that a clerk at the Cook County Health and Hospitals System (CCHHS) improperly called off work on Family and Medical Leave Act (FMLA) leave. The complaint specifically alleged that the clerk had assigned days off of June 13, 14, 18, and 19 of 2016 and then called off work for FMLA purposes on June 12, 15, 16, 17, 20, and 21. The complaint further alleged that the clerk posted on Facebook that she was enjoying a vacation with the family in the Wisconsin Dells during part of that time period. The OIIG investigation included a review of subpoenaed bank records and records from a resort in Wisconsin as well as a review of relevant personnel records and interviews of the subject clerk and her supervisor. The evidence obtained in the investigation confirmed the subject clerk violated CCHHS leave from duty rules by calling in sick and using FMLA leave for the purpose of going on a vacation. Based on the clerk's violations of CCHHS policies, the OIIG recommended that CCHHS impose appropriate discipline on the subject clerk, provide additional training to her, and monitor her time going forward. CCHHS responded but stated that it will not impose any discipline on the subject employee because of uncertainties related to the subject's use of FMLA leave at a time when she was on vacation.

IIG16-0168. This investigation was initiated following an anonymous complaint alleging that a doctor at CCHHS was in violation of the dual employment provisions of the Personnel Rules because he worked full-time at another hospital. The investigation revealed that the subject doctor had in fact violated two provisions of the CCHHS Personnel Rules. Specifically, he failed to submit a 2016 Report of Dual Employment and he exceeded 20 hours per week of outside employment at the other hospital on at least five occasions during the time period of

November 14, 2015 through November 4, 2016. Based on all of the foregoing, we recommended that an appropriate level disciplinary action be imposed upon the doctor consistent with other similar cases and that he be admonished to refrain from further violations in the future. These recommendations were made on February 2, 2017, and to date we have not received a response from CCHHS.

IIG16-0195. This office received information asserting that a doctor at CCHHS is routinely engaged in outside employment in excess of the permitted number of hours in violation of the CCHHS Dual Employment Policy. The preponderance of the evidence developed during this investigation supports the conclusion that the subject doctor violated CCHHS Personnel Rules by engaging in secondary employment activities beyond the allotted 20 hours per week during the months of April through August in 2016. Accordingly, we recommended that disciplinary action be imposed. This recommendation was made on January 26, 2017, though we have not yet received a response from CCHHS.

IIG16-0229. The OIIG initiated this inquiry after receiving information from the Office of the Comptroller that a professional services vendor for the Board of Commissioners, 6th District, had not received payment for previously submitted invoices. It was alleged that a member of the staff of the 6th District cashed the checks intended for the vendor and converted the proceeds for personal gain without the vendor's permission. The preponderance of the evidence developed in this investigation failed to support the conclusion that the subject stole Cook County funds intended as payment for the vendor. Both parties stated the exchange of funds between them was ongoing throughout 2016. This arrangement was generally corroborated by both the bank records and an independent witness. Additionally, both the subject and the vendor confirmed the subject was given permission to cash the Cook County checks on behalf of the vendor. During the course of this review, evidence was developed that would warrant corrective action if the subject remained in Cook County service. For example, certain vendor invoices were submitted for payment prior to the completion of the work to be performed in violation of the Procurement Code. Conflict of interest and appearance of impropriety prohibitions were also breached in that the subject was making decisions in which he held a pecuniary interest, as well as the manner in which certain endorsements were made on the Cook County checks in the vendor's name. However, as the subject is no longer employed by Cook County, no recommendations were offered for remedial action.

### **Outstanding OIIG Recommendations**

In addition to the new cases being reported this quarter, the OIIG has followed-up on outstanding recommendations for which no response was received at the time of our last quarterly report. Under the OIIG Ordinance, responses from management are required within 30 days of an OIIG recommendation or after the grant of a 30-day extension to respond. Below is an update on these outstanding recommendations.

From the 4<sup>th</sup> Quarter 2016

IIG11-0002. In 2010, the OIIG was conducting an investigation into hiring violations occurring within the Department of Homeland Security and Emergency Management (DHSEM) when information was developed suggesting the misuse of portions of \$10.3 million in federal grant funds that were designated to aid Cook County residents impacted by flooding that occurred in 2008. The grant funds were available to Cook County on a reimbursement basis only through September 30, 2010. A Program Manager for DHSEM involved in the disaster grant oversight made an arrangement with the sole owner of a company (the subject company) to perform services to be compensated under the disaster grant award.

This office, along with the FBI and the U.S. Attorneys' Office undertook a joint investigation into the circumstances surrounding the management of the grant funds. The investigation involved an analysis of subpoenaed records and other documents secured from Cook County pertaining to alleged services performed by various vendors receiving reimbursement through the disaster grant, over 20 witness interviews and review of subpoenaed bank records of various individuals and entities involved. Our investigation revealed that the subject Program Manager arranged for certain businesses, including the subject company, to be paid for work that was not performed and arranged for inflated payments to certain businesses for work that was performed. Following the receipt of payments through the grant, the Program Manager solicited and accepted kickbacks from the subject company along with other financial benefits that he used for personal gain, including the purchase of a residential property.

Our joint investigation led to the arrest and indictments of the Project Manager and the owner of the subject company on August 27, 2014. Both the Project Manager and owner of the subject company pleaded guilty to the subject crimes on November 7 and November 9, 2016 in Federal Court. The residential property is subject to forfeiture pursuant to the plea agreement of the Project Manager and may result in assets being remitted to Cook County by virtue of the losses incurred as a result of the crimes. The County suffered a net loss of approximately \$1,024,270.12 in the management of the disaster grant.

Neither the Project Manager nor the owner of the subject company are employed by or have a contractual relationship with Cook County at the present time. Based on all of the foregoing, including the facts supporting the plea agreement of the Project Manager, this office recommended that the Project Manager be placed on the Cook County *Ineligible for Rehire List* (Policy No. 2014-2.13). The County has adopted the OIIG recommendation.

IIG13-0137. The Hektoen Institute for Medical Research, L.L.C., (Hektoen) provides fiscal agent and support services to Cook County Health and Hospitals System (CCHHS), and acts as the administrative and fiscal agent for most of the research and clinical service awards to CCHHS. The awards administered include federal, state, city, private and foundation grants as well as contracts for clinical trials and multi-center awards. All of Hektoen's programs focus on improving healthcare and the healthcare delivery systems for under-served residents of Cook County.

CCHHS Internal Audit initiated a review of Hektoen's Salary Reallocation Account. The Reallocation Account allows for salary and fringe benefit compensation to be reallocated back to CCHHS if grant work necessitates the reimbursement of salary and fringe benefit dollars when CCHHS employees expend their compensated time in support of grant related activities. The review was limited to Hektoen's fiscal year 2012, which covered the time period September 1, 2011 to August 31, 2012. During this initial review, certain irregularities and questionable expenditures of funds released from the Salary Reallocation Fund to a CCHHS doctor (the "subject doctor") for personal expenditures were identified. These expenditures were not consistent with CCHHS's policy related to the use of these funds. An expanded sample audit covering the time period January 1, 2011 through February 14, 2013 was then conducted. The expanded sampling uncovered additional expenditure irregularities by the subject doctor. The subject doctor told officials from CCHHS that all of the subject expenses were work related and incidental to his work. CCHHS referred the matter to the OIIG

OIIG served subpoenas on Amazon, Inc., Apple Inc., and Southwest Airlines to identify goods and services the subject doctor purchased. The following are examples of items purchased in which the subject doctor was reimbursed:

- Amazon - Designer handbags, women's shoes and clothing, camera equipment, a Yamaha piano and accessories and a radar detector;
- Apple - Numerous purchases through iTunes but titles were not provided due to privacy restrictions;
- American Airlines - Two passenger tickets (the subject doctor and his spouse) to Beijing, China, to attend a conference plus additional expenses related to the trip; and,
- Southwest Airlines - Four passenger tickets (the subject doctor, his spouse and two children) to attend a conference in Orlando, Florida.

Our review of the credit card statements for the aforementioned trip to Orlando, Florida, revealed several charges that included a premium hotel room, an extended night stay beyond the conference, minivan rental and several restaurant charges. Other notable credit card charges included fuel that was purchased during the month of May 2012, totaling \$452.75. There were additional charges that ranged from \$103.00 to \$575.00 for cell phone and data services, purchase of a Sony Ericsson wireless stereo headphone for \$869.15 and a purchase of a toy identified as Clone Commander for \$36.25. Additionally, examples of numerous credit card charges at area restaurants are listed as follows: Francesca's Restaurant - \$596.05; Lou Malnati's Pizza - \$289.99; Leona's Chicago Restaurant - \$351.70; Flirty Cupcakes, Chicago - \$197.10; Pompei Little Italy, Chicago - \$160.00.

The review further identified numerous other questionable credit card charges that the subject doctor submitted for reimbursement that were approved. A sampling of the subject doctor's Check Request Forms and attached credit card statements reflected several purchases in amounts of \$1,240.00, \$978.98, \$652.99, and \$352.99. The first two purchases contained handwritten notations reflecting they were for software and hardware. The results of the OIIG subpoena reflected the above purchases were for a Gucci Wallet and Medium Tote and a Prada

Handbag. The purchases of \$652.99 and \$352.99 were for books (titles not provided). The Check Request Form, dated March 30, 2011, reflected a purchase in the amount of \$999.99, which was notated as software although in reality it was for the Yamaha piano. Another Check Request Form, dated April 21, 2011, reflected several purchases ranging from \$102.00 to \$925.00. Handwritten notations associated with the purchases on the credit card statement reflected software purchases; however, the results of the subpoenas reflected these purchases were for a Yamaha piano stand, piano accessories, Gucci handbag, Fujitsu scanner and a North Face women's parka. The Check Request Form, dated June 20, 2011 revealed the subject doctor was reimbursed \$12,814.00 for legal work related to a company he owned. Receipts reflected the legal work was for tax matters, a draft of U.S. patent application and a draft of bylaws for new corporation and other related matters. Another Check Request Form dated September 27, 2011, reflected purchases in the amounts of \$6.62, \$231.97, \$1,803.57, \$11.99, \$39.95 and \$1,221.42. These purchases were notated as computer hardware, camera, software, and computer supplies that were shipped to the subject doctor's personal residence. Another Check Request Form reflected purchases in the amounts of \$1,002.12 and \$2,003.23 that were notated as conference registrations in Beijing, China. The associated credit card statement reflected airline tickets in the names of the subject doctor and his wife, for \$1,038.20 each.

A subsequent audit of the subject doctor's expenditures from his salary reallocation account from 2010 through 2014 revealed that the subject doctor had expenditures of \$274,360 in various categories from consulting fees, computer, travel, legal fees, Amazon, phone/data plans, meals/fuel, memberships, office supplies, seminars, iTunes, books/subscriptions/parking and miscellaneous. It was determined that out of the total expenditure of funds, only \$10,227 was considered to be allowable. There was \$15,811 of expenditures that needed additional information or documentation before determining if the expenditures were allowable. In sum, there were \$248,322 of expenditures that should be recouped because the expenses were in violation of policy and/or did not benefit CCHHS.

The evidence developed during the course of the OIIG investigation established that the subject doctor was improperly converting funds maintained in the Salary Reallocation Account for personal benefit. While the subject account lacked adequate internal controls and oversight, the funds were deliberately and intentionally converted by the subject doctor for his personal benefit by fraudulently claiming the reimbursed expenses were work related and in accord with the mission of CCHHS. Some of the items purchased were mailed directly to his personal residence. The subject doctor purchased items that were unusual in terms of nature, dollar amount and without supporting documentation to justify the purchases as being work related. He misrepresented the nature of the items purchased and deceived his supervisor by claiming, for example, that the purchases were software purchases when in fact they were personal items such as Yamaha piano accessories, Gucci handbag, North Face woman's parka and other personal items. The whereabouts of the personal items as well as the computers, computer related equipment/software and cameras purchased are unknown at this time. The subject doctor's attorney has stated in a letter that the doctor would cooperate in making repayment of funds determined to be not in accordance with CCHHS policy.



CCHHS has initiated corrective action with the implementation of a new policy that was approved on December 23, 2015, entitled *Use of Costs Recovered from Sponsored Programs*. The policy identifies a procedure that requires the approval of the department chair, CCHHS Assistant Grant Management Director and CCHHS Executive Medical Director prior to incurring any expenses related to such accounts. The new policy also establishes an approval process involving various levels of approval. The development and implementation of this policy are very positive. However, we noted that consistent enforcement of the policy and training, when necessary, to ensure that this policy becomes well-known and adhered to is equally important. The subject doctor resigned from CCHHS on January 1, 2014 during the pendency of this investigation.

The OIIG made the following recommendations regarding the subject doctor:

1. The subject doctor should be placed on the CCHHS *Ineligible for Rehire* list;
2. CCHHS should ban the subject doctor from volunteering in system facilities;
3. CCHHS should seek reimbursement from the subject doctor of \$248,322 in expenditures that he received from the subject account that are not consistent with CCHHS policy; and
4. CCHHS should refer the subject doctor to the Illinois Department of Financial and Professional Regulation for review and disciplinary action.

These recommendations are currently pending.

IIG14-0079. In this matter, the OIIG conducted a survey to assess the level of M/WBE participation in Cook County Health & Hospitals System (“CCHHS”) contracts. M/WBE is defined as Minority-Owned and Women-Owned Business Enterprises pursuant to the County Ordinance. Under the M/WBE Ordinance’s annual “Aspirational Goals,” prime contractors are required to use their best efforts to allocate 25% to MBEs and 10% to WBEs for all Cook County government contracts awarded over \$25,000. For professional services contracts, the County focuses on awarding 35% to the M/WBEs collectively with no requirement for specific allocations. The OIIG initiated this survey after receiving complaints that contracts involving CCHHS consistently fail to meet the M/WBE participation goals stated in the M/WBE Ordinance.

The OIIG obtained a list of CCHHS Fiscal Year 2015 outstanding contracts for further review. From this list, we identified the top ten contracts by dollar amount. Our sample of contracts totaled \$304,761,231.61 in expenditures. In accordance with the Aspirational Goals, this sample should involve \$106,666,431.06 in M/WBE participation pursuant to the Ordinance. In order to evaluate the level of actual M/WBE participation for this sample, we acquired contract activity summaries for each of the subject contracts from the Office of Contract Compliance (the “OCC”). Then, we noted the amount of business generated with the vendor with the amount of business generated through M/WBE participation. At the time of our analysis, CCHHS purchased \$89,025,725.24 (29% of the contract awards) worth of business from vendors in our sample. Of this amount, \$8,230,879.56 or 9.2% of business had been generated with M/WBEs. These statistics are based on contract activity and M/WBE participation as of July 7, 2016. Accordingly, this analysis

revealed substantial deviations from M/WBE Aspirational Goals. To better understand the reasons for the deviations, we conducted various interviews and reviewed numerous contracts.

The evidence developed during the course of this Survey supports the conclusion that CCHHS contracting experiences a reduced level of M/WBE participation levels in relation to the Aspirational Goals set by County ordinance. The underlying reasons for this include (a) a smaller pool of M/WBEs certified to participate in healthcare related contracts, (b) the special nature of the products and services required by HHS and (c) the heavily regulated purchasing environment in which CCHHS is engaged. Nonetheless, careful consideration of all of the circumstances surrounding CCHHS purchasing reveals an opportunity to expand the pool of certified M/WBE vendors available to participate in this environment. Accordingly, we recommended the following action.

1. Cook County should consider amending the M/WBE ordinance by lifting or eliminating the Personal Net Worth exception of \$2,000,000.00 for M/WBE participation when the participation involves a healthcare industry related contract. *See Cook County Code, Section 34-263.* This expansion of criteria for M/WBE participation would recognize the unique purchasing environment in the healthcare industry which often requires firms participating in this industry to be supported by significant assets.
2. OCC is represented at the various different outreach events hosted by other organizations and has recently established host events for the County specifically. The County should consider increasing these efforts by targeting the healthcare industry.
3. Cook County should consider offering a continuous source of support to M/WBEs as part of the application process, such as developing on-demand video tutorials for its website.
4. OCC and CCHHS should jointly and affirmatively pursue matching opportunities to link prospective M/WBE vendors with prime vendors for sub-contracting purposes.
5. OCC and CCHHS should establish a protocol to jointly review all requests for M/WBE waivers because of the specialized nature of the industry, especially when faced with requests for waiver that involve substantial contracts.
6. OCC should perform a heightened level of scrutiny for those large value contracts for professional services reflecting low M/WBE participation.
7. OCC and CCHHS should urge suppliers to develop strong mentoring/protégé programs and consider the existence of a mentorship program, or lack thereof, during its evaluations of bids when determining whether a vendor should be granted a full or partial waiver of M/WBE participation. This criterion is currently recognized in the County Code. *See Cook County Code, Section 34-271(d).* In light of the low M/WBE participation rates, we believe OCC should publicize this option during the pre-bid process and at outreach events.

These recommendations were made on December 23, 2016. On March 1, 2017, CCHHS responded and stated that it concurs with the OIIG recommendations, will generally defer to

OCC regarding any remedial action, and will cooperate with OCC in this matter. To date, OCC has not responded to the OIIG recommendations.

IIG14-0488. The OIIG opened this investigation after receiving a complaint that a construction contractor violated County rules and policies in performing a project at the Cook County Jail by failing to pay its Minority Business Enterprise (MBE) subcontractor. The investigation revealed that the subject contractor had in fact failed to pay the MBE subcontractor all amounts required under the utilization plan and had failed to cure that default after being notified by the Office of Contract Compliance. The investigation also revealed a dispute between the contractor and the subcontractor had developed leading the contractor to use other subcontractors without following proper procedures and obtaining necessary approvals. The OIIG made numerous recommendations to the Office of Contract Compliance and the Chief Procurement Officer regarding suggested amendments to the Compliance Plan and the Procurement Code and specifically recommended that the subject contractor be deemed ineligible to enter into a contract with the County for a period of 24 months and that the County seek a contractual penalty against the subject contractor for failing to meet its MBE participation requirement. This report was issued on November 2, 2016, and to date we have not yet received a response from the County.

IIG15-0025. The OIIG opened this investigation after receiving a complaint from a Cook County and city of Chicago certified Minority and Woman Owned Business Enterprise (“M/WBE”), that the primary contractor failed to pay and utilize it as the M/WBE as specified in its utilization plan with Cook County. In order to assess the merits of the complaint, the OIIG conducted interviews of various witnesses and reviewed documents including emails.

Based on the preponderance of the evidence developed during the course of this investigation, this office determined that the primary contractor provided false and misleading information in its contract proposal to the County and failed to act in good faith in accordance with its M/WBE participation goals. In July 2012, the primary contractor originally requested a full M/WBE waiver request. Once Contract Compliance denied the waiver request and advised the primary contractor that its proposal was the lowest except it would be required to secure M/WBE participation, the primary contractor hastily retained the complainant M/WBE in order to secure the County contract by presenting a false and misleading Utilization Plan to both the complaining M/WBE and the County. The primary contractor admittedly never intended to pay and utilize the M/WBE at an amount equal to 16.5% of the contract award because of the lack of work available to the M/WBE to perform under the contract. It was at that time, before finalizing the contract terms with Cook County that the primary contractor needed to confront this issue in good faith. The Procurement Code affords other avenues in which a contractor may achieve M/WBE participation, such as the indirect method, that could have been considered and may have been by the primary contractor’s competitors in the RFP process. Despite this fact, the primary contractor presented false and misleading information in support of its proposal to secure the contract and, therefore, unfairly tipped the balance of fair competition in its favor.

We recommended that Cook County consider imposing the penalties set forth in the Cook County Code due to these violations including, but not limited to, the imposition of fines and disqualification in future County solicitations and contracts. These recommendations were made on November 10, 2016. The County has recently requested additional time to respond.

IIG15-0080. This investigation was initiated by the OIIG based on a complaint brought by a Cook County Department of Transportation and Highways (DOTH) employee alleging that he was being subjected to abusive language, harassment and false accusations of misconduct by his former and current supervisors. During the course of this investigation, OIIG investigators interviewed the complainant, several of his co-workers, his current and former DOTH supervisors and DOTH Bureau Chief. The preponderance of the evidence failed to support the allegations under review. The interviews conducted of DOTH personnel, including management officials, demonstrated both that the complainant is not without fault in this set of circumstances and the existence of a non-retaliatory basis for management's conduct in connection with the complainant. This office recommended that management employ its established process of instituting progressive discipline by ensuring that incidents of employee misconduct are properly documented in a timely manner and adhere to the provisions of *Cook County Employment Plan Supplemental Policies*, No. 2013-2.8 (Disciplinary Action). We also recommended that DOTH consider requiring further training for its district supervisors in this regard. This recommendation is based upon the pattern identified in this inquiry of the failure to adhere to *Supplemental Policy* No. 2013-2.8. These recommendations were made on November 3, 2016, and to date we have not received a response from DOTH.

IIG15-0207. In this case, the OIIG received information that a former Union Representative filed a grievance on behalf of a Clerk V at Provident Hospital, alleging that certain employees in the CCHHS Recruitment and Labor Relations Department falsified online employment application records to reflect that she withdrew her application for a promotional opportunity. It was further alleged that the Hearing Officer relied on this misinformation in denying the Clerk V's grievance challenging the denial of a promotional opportunity. During our investigation, OIIG investigators interviewed witnesses and analyzed employment records. Based upon the preponderance of evidence developed during the course of this investigation, the evidence revealed that the Clerk V did not withdraw any of her applications for any of the Caseworker positions. The evidence also revealed that no CCHHS officials falsified the Clerk V's employment records in Taleo to reflect that she withdrew any of her applications. Rather, the evidence revealed that the Hearing Officer misread the online employment application documents and reported this in her grievance decision in error. Although the Hearing Officer stated that the withdrawal of the application had no bearing on the grievance decision, we recommended that the Bureau of Human Resources correct the record to reflect that the Clerk V did not withdraw from the application process by issuing a revised hearing decision in this matter so as to correct the record. We have not yet received a response to our recommendation.

IIG15-0228. The Federal Emergency Management Agency (FEMA) provided the Illinois Emergency Management Agency (IEMA) approximately \$58 million between 2003 and 2008. Cook County spent approximately \$45 million for Project Shield. The funding was for the

installation and maintenance of Project Shield equipment (wireless capability for first responders to access text, image and video information in a highly secure and efficient manner) to monitor emergency situations in 128 municipalities within Cook County to enable decision makers to strategically deploy their first responder assets in a timely fashion. The U.S. Department of Homeland Security (DHS) Office of Inspector General (OIG) conducted an audit of the Urban Areas Security Initiative (UASI) grant funds for Project Shield. The DHS OIG issued a report with its investigative findings and recommendations on December 21, 2011. The OIG's investigative findings ranged from missing records, procurement practices not being followed, and DHSEM not accounting for equipment listed on the DHSEM inventory.

One of the DHS OIG's recommendations included Cook County's compliance with the regulatory and administrative requirements for managing equipment purchased with federal grant funds. *See generally*, 44 C.F.R. § 13.32. It was the DHS OIG conclusion that the project was not implemented effectively, and millions of tax dollars may have been wasted on equipment that did not perform as intended. Our office conducted a review to determine if DHSEM has addressed the deficiencies noted in the DHS OIG's report with a focus on whether DHSEM was appropriately managing its equipment purchased with federal funds.

The OIIG reviewed a list of grants awarded to the DHSEM in Fiscal Year (FY) 2015, along with a summary of each grant. Additionally, we reviewed the DHS OIG and a separate and independent audit (Single Audit) of DHSEM that was part of the Cook County's Comprehensive Annual Financial Report (CAFR) for FY 2014. The Single Audit, which was conducted by a private accounting firm, is conducted annually to provide assurance to the U.S. government as to the management and use of such funds by grant recipients. The findings from this audit revealed that DHSEM failed to maintain equipment records that complied with the Federal Regulations 44 C.F.R. § 13.32 (d).

In response to the Single Audit report, the former Executive Director of DHSEM responded with a letter dated May 17, 2015 to the Cook County Comptroller outlining a corrective action plan his department planned to pursue to address the Single Audit findings. The corrective action plan included the following:

- A revision of current inventory policy to closely align to the Federal Regulations 44 C.F.R. § 13.32 (d) by September 2015;
- A private sector partner undertaking to complete the process of mapping of DHSEM's inventory identification, requisition procurement and inventory process. This was planned to be completed by January 2016;
- DHSEM planned to procure a new inventory management software system and have it operational by January 2016;
- DHSEM declared an inventory shut-down from July 20 through July 24, 2015 in which all non-essential work was temporarily suspended to conduct a physical inventory of all equipment in excess of a \$5,000 original cost. This was planned to be completed by July 24, 2015; and,
- A Fixed-Asset Accountant was planned to be hired by September 2015.

The OIIG review revealed that while some corrective action has occurred, DHSEM remains in noncompliance with the 2011 DHS OIG audit report and the 2014 Single Audit report. Accordingly, we recommended that the recommendations cited in the DHS OIG and Single Audits become a priority. Additionally, we recommended that accountability of government property should be emphasized through implementation of policy that holds internal and external agencies accountable for missing, lost, stolen or recovered government property under their purview. If government property is discovered lost, missing or stolen, it must be reported and investigated. Periodic unannounced random equipment inventories of government property assigned to County personnel and other agencies should also be conducted. On March 14, 2017, DHSEM responded to our report and adopted the OIIG recommendations.

IIG16-0079. This investigation was initiated based on an allegation by a union representative that a Cook County Hospital Police Officer applied unreasonable force while taking her into custody following a complaint that she was trespassing and interfering with hospital business. The union representative alleged that the subject officer grabbed her shoulders and forcefully pushed her into a cell where her face, chest and shoulders made contact with the wall and that she was handcuffed for approximately one hour. During our investigation, OIIG investigators interviewed numerous witnesses to the incident and reviewed video surveillance at the hospital.

The video showed that the union representative was detained by the Cook County Hospital Police Department (CCHPD) for approximately 21 minutes and handcuffed for approximately eight minutes. The video did not support the union representative's statement that the subject officer grabbed her shoulders and forcefully push her into a cell where her face, chest, and shoulders made contact with the wall. The video did not support the union representative's assertion that she was handcuffed for approximately one hour.

The current collective bargaining agreement between the union and the County specifically requires union representatives to "secure the approval of the Hospital Director/Designee or County Department Head to enter the Hospital and conduct their business so as not to interfere with the operation of the Hospital." The agreement also notes that "the union will not abuse this privilege, and such right of entry shall at all times be subject to general Hospital and medical office rules applicable to non-employees." During the union representative's interview with investigators, the union representative stated she did not seek prior approval from hospital management to speak with union members and further advised it was not her practice to obtain prior approval from a manager before speaking with union members during work hours at the Hospital.

Based upon the foregoing, the union representative's meeting with union employees while they were working in a restricted area was not in compliance with the current contract and her failure to leave the area after requested by management was unwarranted. Additionally, interviews with various CCHPD Officers determined the union representative did not comply with the subject officer's orders to leave the Hospital. Three CCHPD Officers and another witness stated that the union representative resisted detention by moving and flailing her arms to

prevent being handcuffed by CCHPD Officers. The union representative stated that she could not recall if she resisted being handcuffed. The preponderance of the evidence did not support the union representative's allegation that the subject officer acted improperly or used unreasonable force. Accordingly, the allegation against the subject officer was not sustained.

The OIIG principally recommended that the union and CCHHS convene and discuss the collective bargaining agreement to ensure all parties are aware of the provisions regarding union representatives' meeting with union employees in the workplace and establish a protocol for communication between the union and management when such meetings are requested. These recommendations were made on December 30, 2016 and, to date, we have not yet received a response from CCHHS.

#### From the 3<sup>rd</sup> Quarter 2016

IIG15-0234. The OIIG received an anonymous complaint alleging that a doctor misused and falsified his time records and worked a second job in addition to his CCHHS employment. During the conduct of the investigation another issue surfaced which became the focus of the investigation when the initial allegations were discounted. The new issue concerned how the subject doctor accounted for his time during a 10-day leave of absence allegedly taken for purposes of Continuing Medical Education (CME). On that issue, the evidence showed that the subject doctor failed to adhere to the requirements of the Illinois Administrative Code by failing to keep records of the CME training he allegedly took during the leave of absence. The doctor was not able to recall or provide documentation demonstrating the number of hours he devoted to the 10 days of CME leave nor was he able to identify the medical articles/research he may have reviewed. The doctor was not able to provide documentation or other proof that he accessed public medical websites because the websites he accessed did not require the establishment of a user account/user ID to access the programs. Moreover, he asserted that his private computer's malware deleted his browser history. However, Section 1285.110 of the Illinois Administrative Code addressing Continuing Medical Education mandates that physicians document and provide dates and descriptions of activities for any informal CME programs or activities. The fact that the doctor did not do this puts him in violation of the Code and also in violation of CCHHS Personnel Rule 8(c)(14) which requires CCHHS employees to complete records required to be completed in conjunction with their duties. Because he failed to maintain the requisite records, we carefully considered the possibility that the doctor failed to complete any CME during the subject 10 day CME leave period and used his leave for personal reasons, but the evidence developed failed to meet the burden of proof employed in OIIG investigations. The OIIG recommended the imposition of appropriate discipline on the subject doctor and the creation of policies regarding CME leave and documentation for such activities. CCHHS adopted the OIIG recommendations.

#### From the 2<sup>nd</sup> Quarter 2016

IIG15-0046. The OIIG initiated this investigation to address repeated incidents of time card fraud by employees at the John H. Stroger, Jr. Hospital of Cook County. The OIIG has

conducted numerous time and attendance investigations (time card fraud) involving Cook County Health and Hospitals System (CCHHS) employees at Oak Forest Health Center, Cermak Health Services and Stroger Hospital during the past several years. These time card fraud investigations involved a range of issues from employees swiping in and then immediately leaving to park their vehicles, employees swiping in for others who fail to report for work, employees leaving during the day without authorization, employees swiping in at unauthorized locations in order to avoid tardiness to employees not swiping at all. The subjects of the investigations involved a wide spectrum of positions and departments including a Division Chairman, a physician, a physician assistant, dentists, dental assistants, nurses, administrative assistants/aides, a trades foreman, environmental service employees, laborers and others. In the end, numerous recommendations have been offered though this issue remains a substantial problem that does not appear to have diminished in scope.

Based upon the numerous similar investigations that have been sustained, this office initiated this investigation to determine the scope of the problem and underlying causes. In summary, 70 interviews were conducted with front line employees, timekeepers, supervisors, department heads and personnel from Human Resources and the Payroll Department. Twenty-four informational interviews and 35 subject interviews were conducted with employees suspected of time card fraud based upon data reviewed and surveillance conducted. Eight of the subject employees had past records of excessive tardiness. Admissions were obtained from 14 interviewees, and there was a preponderance of evidence that implicated 15 additional employees. This review also cleared six of the employees for various reasons. Several employees admitted to the practice of “drive and swipe” to avoid being tardy. Some of those interviewed claimed to have been doing this for years without being questioned about the practice. One employee claimed his supervisor authorized his employees to swipe in before parking their vehicles if they believed they were going to be late for work. Other employees acknowledged taking time to eat their breakfast after swiping in at the beginning of their scheduled shift. The results of this review and those of prior time card fraud investigations form the basis of our conclusion that a widespread institutional culture of time card fraud continues to exist. The environment that allowed this custom to develop was caused primarily by a lack of policy enforcement and supervisory oversight.

Numerous recommendations were made including various forms of training and education. The recommendations were made on June 29, 2016. CCHHS responded and adopted the OIIG recommendations on October 14, 2016. Please be aware that the last quarterly report incorrectly indicated that CCHHS had not yet responded.

From the 1<sup>st</sup> Quarter 2016

IIIG14-0368. This investigation was initiated by the OIIG following the receipt of allegations involving a Cook County Health and Hospitals System (CCHHS) employee working outside employment while on FMLA status. The preponderance of the evidence developed during the course of the investigation failed to support the allegation of a dual employment or FMLA violation. Although there was no violation in this case, we recommended that CCHHS



consider adopting a policy prohibiting employment during a leave period because of the overall impact the high incidence of FMLA leave participation has on CCHHS operations. This recommendation was made on March 1, 2016. CCHHS recently responded and indicated that it agrees to consider such a policy and will work with the County toward the goal of developing a unified county-wide FMLA policy.

### **Activities Relating to Unlawful Political Discrimination**

#### **Political Contact Logs (PCLs)**

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 non-Exempt position. The IIG acts within his authority with respect to each Political Contact Log filed. From January 1, 2017 to March 31, 2017 the Office of the Independent Inspector General received two Political Contact Logs.

#### **Post-SRO Complaint Investigations**

The OIIG has received no new Cook County *Shakman* Post-SRO Complaints this reporting period. Four such complaints are pending.

#### **Training**

The OIIG continues to collaborate with the Bureau of Human Resources (“BHR”) and the Board of Ethics (“Ethics”) in a joint project to provide both online and in-person annual training for Cook County employees regarding the Ethics Ordinance, the Employment Plan and Unlawful Political Discrimination. The OIIG continues to assist the above departments in the efforts to test new training modules, alleviate technological challenges which exist in administering training and the reduction of incidents of non-compliance.

#### **New UPD Investigations not the result of PCLs or Post-SRO Complaints**

In addition to the PCL and Post-SRO activity noted above, the OIIG has opened 15 additional UPD inquiries during the last reporting period. The OIIG continues to assist and work closely with the embedded compliance personnel in the FPD, CCHHS, the Cook County Bureau of Human Resources and the Cook County Recorder of Deeds, conducting joint investigations where appropriate.

Employment Plan – Do Not Hire Lists

The OIIG continues to collaborate with the various Cook County entities and the Cook County Compliance Administrator to ensure the lists are being applied in a manner consistent with the County's goal of achieving substantial compliance.

OIIG Employment Plan Oversight

Per the Employment Plans of Cook County, CCHHS and the Forest Preserve District, the OIIG reviews, *inter alia*, (1) the hire of *Shakman* Exempt employees, (2) proposed changes to Exempt Lists, Actively Recruited lists, employment plans and Direct Appointment lists, (3) FPD employment postings limited to internal candidates and (4) Supplemental Policy activities. In the last quarter, the OIIG has reviewed and acted within its authority regarding:

1. Thirteen changes to the Cook County Actively Recruited List;
2. The hiring of 17 *Shakman* Exempt employees;
3. Six changes to the *Shakman* Exempt List;
4. The proposed Direct Appointment of four CCHHS employee;
5. Three actions under the *Cook County Employment Plan Supplemental Policies*.

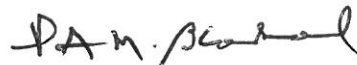
Monitoring

The OIIG currently tracks disciplinary activities in the Forest Preserve District and Offices under the President. In this last quarter, the OIIG tracked (and selectively monitored) 38 disciplinary hearings and related grievances. Further, pursuant to an agreement with the Bureau of Human Resources and with the collaboration of the Cook County Compliance Officer, the OIIG tracks hiring activity in the Offices under the President, conducting selective monitoring of certain hiring sequences therein. The OIIG also is tracking and selectively monitoring CCHHS hiring activity pursuant to the CCHHS Employment Plan.

Conclusion

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,



Patrick M. Blanchard  
Independent Inspector General  
(312) 603-0364

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