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January 15, 2015

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 (4th Qtr. 2014)

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 October 1, 2014 through December 31, 2014.

OIIG Complaints

The Office of the Independent Inspector General (OIIG) received a total of 120 complaints during this reporting period.¹ Please be aware that 18 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, 34 OIIG case inquiries have been initiated during this reporting period while a total of 179 OIIG case inquiries remain pending at the present time. There have been 11 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 and allegations under review:

¹ 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.

- Falsification of Cook County records;
- Post-SRO Complaint – 4 cases;
- Failure to follow Cook County policy/Negligence in the performance of duties – 2 cases;
- Employee time theft – 2 cases;
- Cigarette Tax Reward Program assessment;
- Citizen harassment/abuse;
- Procurement fraud – 2 cases;
- Employee benefits fraud;
- Patient Valuables inventory and program assessment;
- Conflict of interests;
- Financial Advisors' compliance review;
- Employee Appeals Board's job description review.

The OIIG currently has a total of 59 matters under investigation. The number of open investigations beyond 180 days of the issuance of this report is 49 due to various issues including the nature of the investigation, availability of resources and prosecutorial considerations.

OIIG Summary Reports

During the 4th Quarter of 2014, the OIIG issued 13 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.

IIG09-0206. 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 is an employee at the Juvenile Temporary Detention Center who alleged that she was removed from a supervisory role and passed over for other promotions as retaliation for her having received a prior *Shakman* monetary award. Based upon the preponderance of evidence developed in the course of the investigation, the OIIG determined that impermissible political factors were not considered in any employment decisions involving the complainant.

IIG10-0038. This matter involved a follow up to a prior case and recommendation involving several county officials directing third party contractors to hire favored individuals in an effort to circumvent the scrutiny that would prevent the hiring of such individuals into Cook County positions. We recommended amending the County's Employment Plan or Human Resources Ordinance to prevent such circumstances from recurring. The OIIG has not received a response to this recommendation.

IIG13-0015. In this case, the OIIG conducted an investigation to determine whether a contractor for the Recorder of Deeds failed to perform its obligations under its contract or

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otherwise engaged in misconduct. The evidence showed that the contract at issue was canceled by the Recorder of Deeds prior to the expiration of the contract term. Although the OIIG could not determine whether full performance occurred due to the cancellation, we did identify problems with this contractor relating to its Minority and Women Owned Business Enterprise (M/WBE) subcontractor obligation, the invoices that were submitted by this contractor, and an attempt to use political influence in the contracting process. Specifically, while the subject contractor stated in its letter of intent that the M/WBE would receive 35% of the contract award, the M/WBE had not performed any work during the eight months of the contract and the management personnel for the contractor overseeing this contract did not know what work the M/WBE would be performing. Therefore, we found that the contractor's representations in its letter of intent regarding M/WBE participation were false and/or speculative. As for its invoices, the contractor failed to provide any details regarding the dates work had been performed, time spent or services rendered, and its management could not confirm that the invoices were accurate. Finally, after the contract was canceled, the contractor arranged for a meeting with the Recorder of Deeds in the office of a Cook County Commissioner with the Commissioner present. The contractor was unable to offer any rational explanation as to why the Commissioner was involved in the meeting or why the meeting was held at the office of the Commissioner.

Based on our findings, we recommended that letters of intent require specific information to support the commercially useful function to be performed by the M/WBE under the contract. Such information should include a timetable for performance, location of services, and specific deliverable to be supplied. We also recommended that protocols be established to ensure that using agencies become involved in monitoring and reporting M/WBE participation as part of their project management responsibilities. We also renewed a previous recommendation that Cook County government implement a policy, resolution or ordinance requiring that County employees involved in the contracting process report to the OIIG instances in which contact is made by a politically-related person attempting to influence procurement action (similar to the policy for political contact logs relating to employment actions). Those recommendations are currently pending.

IIG13-0070. The OIIG initiated this investigation after receiving information that an employee in the Department of Buildings and Grounds at Stroger Hospital had engaged in time and attendance fraud. The preponderance of the evidence obtained in the investigation confirmed the allegations against the subject employee. Specifically, the evidence showed that the subject employee repeatedly swiped in to work and then immediately left to conduct personal errands and park his car before actually reporting for work. This conduct violated CCHHS policy and allowed for the subject employee to be paid for time he had not worked. In light of the repeated and serious nature of the violations and the employee's prior disciplinary record, we recommended that the subject employee's employment be terminated or that he receive a very significant suspension and be prohibited from exercising management responsibilities. A pre-disciplinary hearing has been scheduled.

IIG13-0245. In this investigation, the OIIG received information that a Custodian with the Department of Facilities Management has been receiving preferential treatment with respect

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to his shift and location preference due to the fact that a former elected official is related to the Custodian. The investigation failed to uncover any direct evidence that the Custodian's familial relationship to the former elected official influenced the work assignment process. However, this case demonstrated a need for the Bureau of Human Resources to guide management in developing and implementing policies related to disability status and accommodation. We recommended that the Bureau of Human Resources ensure that specific policies and procedures related to disability accommodation requests are maintained so there is uniformity as to how disability accommodation requests are handled by all departments throughout Cook County. This recommendation was adopted.

IIG14-0033. This investigation involved 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 complainant is an employee in the Cook County Department of Transportation and Highways who alleged discrimination and retaliation for filing a previous Post-SRO Complaint which was sustained by the Special Complaint Administrator. Specifically, the complainant alleged that management retaliated against him by denying his overtime requests, slandering him and redistributing work away from him. The OIIG determined that impermissible political factors were not considered with respect to employment decisions regarding the subject employee.

IIG14-0065. In 2013, the OIIG conducted an investigation that revealed that an employee at Provident Hospital had bypassed numerous financial controls which allowed him to misappropriate money for personal benefit. The investigation exposed inadequate managerial oversight of personnel, a failure to comply with internal cash handling policies and a lack of adequate financial controls all of which contributed to an environment where theft of government funds was a material vulnerability. In 2014, the OIIG initiated this matter as a survey of the Cook County Health and Hospitals System (CCHHS) point-of-sale locations to determine whether the circumstances at Provident were isolated or whether similar problems existed elsewhere within CCHHS. During this survey period, OIIG investigators conducted interviews with 13 employees of Stroger Hospital, observed the cashiers during business hours and interacted with numerous other hospital employees in an effort to fully appreciate the cashiering operation. The OIIG identified numerous issues that should be addressed in order to maintain the integrity of the cashiering operation and account for all revenue. The OIIG made several recommendations regarding policies and procedures, cash registers, security, financial controls, record retention, and the handling of petty cash. These recommendations are currently pending.

IIG13-0186. The OIIG initiated this inventory of patient valuables at Provident Hospital and Stroger Hospital and assessment of the protocols in place to properly manage the collection, maintenance and return/disposal of patient property following a separate investigation involving an employee at Provident Hospital who was involved in the theft of pharmacy daily cash receipts. This assessment revealed various material deficiencies in connection with the inventory itself and the program protocols. Accordingly, this office made various recommendations for hospital officials to establish a uniform policy designed to properly manage patient property

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including the implementation of verification procedures, the installation of surveillance cameras, and updating the current inventory tracking system. These recommendations are currently pending.

IIG14-0345. The OIIG opened this investigation after receiving a complaint that an employee at John H. Stroger Hospital has been repeatedly absent from work and otherwise does not work a full-time schedule as required by her job description. In order to evaluate the allegations, this office interviewed the subject employee, her immediate supervisor and the timekeeper for her department. The OIIG also conducted an analysis of the Time and Attendance records pertaining to the subject employee. The preponderance of the evidence developed in the course of this investigation supports the conclusion that the subject employee was not at work during her scheduled shift on numerous occasions without the knowledge of her supervisor. The subject employee explained that she had either submitted leave slips to excuse her absences or did not receive pay for the instances in which she did not submit a leave slip. We confirmed that the subject employee did not receive pay for the hours that she was absent from work and failed to submit an approved leave slip. We recommended that the subject employee be counseled on the requirement to work a full schedule or ensure appropriate leave slips are submitted to account for a full 40-hour week. In addition, we recommended that the employee's immediate supervisor receive counseling and training as to his duties to ensure that his subordinates work the requisite hours that are required of all HHS full-time employees or be subject to progressive discipline. This recommendation was adopted.

IIG14-0348. This matter was referred to the OIIG after a background check by another government agency revealed that a Cook County employee in the Bureau of Administration had a criminal background which may not have been disclosed on his employment application. The evidence obtained during the investigation confirmed the subject employee's criminal convictions for larceny, communicating a threat, identity theft and use of a government computer for identity theft as well as the failure of the employee to disclose the convictions during the employment application process. It was also discovered that the employee failed to disclose that he had received a bad conduct discharge from the military. In addition to falsifying his employment records, the subject employee provided false statements to OIIG investigators during the OIIG investigation. Specifically, the employee stated that he did not know the nature of his discharge from the military. After the interview, a review of court filings by the subject employee revealed that he did in fact know that he had received a bad conduct discharge. Based on the serious nature of the infractions, including the failure to cooperate with the OIIG as required by County ordinance, the Bureau of Administration terminated the subject employee's employment.

IIG14-0385. The OIIG initiated this investigation after receiving an anonymous complaint that an employee in the Pediatric Unit at John H. Stroger, Jr. Hospital is being compensated to swipe in and out for other employees and leaves the Pediatric Unit for several hours a day to conduct personal business. In order to evaluate the allegations, this office reviewed the subject's Employee Clock Report, Payroll Hours Report and Parking Card Activity Reports. Additionally, this office interviewed the subject and his supervisor. The preponderance

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of the evidence developed during the course of this investigation supports the conclusion that the subject employee falsely swiped in and out of work and left his work station for extended periods of time on numerous occasions without approval. When confronted with the Parking Reports and the Clock Reports, the subject employee provided inconsistent responses in an attempt to mislead the investigators and refused to cooperate by producing his cellular records, thereby violating Section 2-285 of the Cook County Code of Ordinances (Cooperation with the OIIG). Based on the serious and chronic nature of the time keeping violations as well as the subject employee's failure to cooperate, we recommended that the subject employee's employment be terminated. We further recommended changes in the supervisory structure at the Pediatric Unit that allowed for these infractions to occur. Disciplinary proceedings involving the subject employee are currently pending.

IIG14-0409. The OIIG received an allegation that an Administrative Assistant to an elected Cook County official intentionally sprayed Lysol aerosol spray onto a private citizen while he was conducting business in the reception area of the elected official's office. Following the incident, the citizen filed a police report with the Office of the Cook County Sheriff. Our investigation confirmed the allegations against the subject Administrative Assistant. Although the Administrative Assistant stated that her actions were designed only to address a mildew smell emanating from the carpeting, the evidence demonstrates that her claim was not credible. The circumstantial evidence, including the Administrative Assistant's admission that she has a contentious relationship with the subject citizen, indicates that her actions were both intentional and designed to harass. Such conduct violates the Cook County Personnel Rules regarding patient, employee or visitor abuse or harassment. We recommended the imposition of disciplinary action and were informed that the subject Administrative Assistant was admonished not to communicate with the subject citizen or spray any product in the reception area.

IIG14-0461. As part of the effort to achieving substantial compliance with the terms of the *Supplemental Relief Order* entered in *Shakman v. Cook County* (N.D. Ill.), this office has been actively involved in, among other issues, reviewing Cook County hiring and discipline practices, Job Descriptions, Actively Recruited Lists and Exempt Lists. These reviews are undertaken to ensure transparency and to eliminate those circumstances that have resulted in violations of the SRO or otherwise implicate the spirit of the SRO and related consent decrees. As part of this process we became aware of a vulnerability that exists regarding the Cook County Employee Appeals Board ("EAB"). The EAB, established under Article II, Section 44-49 of the Cook County Code, exercises significant authority when reviewing employee disciplinary action. In conducting hearings regarding the appeals of career service employees, the EAB examines discharges, demotions and suspensions exceeding ten days. The EAB is empowered to uphold, reverse or modify disciplinary actions. The EAB issues rulings as a body while the ordinance permits the individual Members to administer oaths, conduct hearings, take testimony and receive other evidence, and certify findings to the EAB. Additionally, the ordinance permits the EAB to be called upon by the President, the Chief of the Bureau of Human Resources or the Cook County Board of Commissioners to prepare special reports or to provide advice concerning human resource issues. Accordingly, the EAB is a decision-making body vested with the authority to impose significant consequences.

The current Employment Plan requires job descriptions for all exempt employees. We believe that this important component should extend to Member positions with the EAB. These positions possess the same discretionary appointment status as exempt positions yet remain insulated from the protections that are afforded by having specific job descriptions and relevant minimum qualifications for such positions. Accordingly, this office recommended that Cook County adopt job descriptions for all EAB Member positions. The job descriptions should be made subject to the provisions of the Employment Plan regarding exempt employees (Employment Plan, Art. XII). We further recommended that the job descriptions account for the varied responsibilities of Members and incorporate minimum qualifications which reflect education and experience regarding employment law, Human Resources and contested evidentiary hearings. Finally, we recommended that the job descriptions require an amount of previous education and experience which recognizes the significant power and authority held by each Member to receive evidence at an evidentiary hearing and issue rulings on employee appeals. These recommendations are currently pending.

Outstanding Recommendations

In addition to the new cases being reported for 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. Below is an update on these outstanding recommendations.

IIG14-0009. The OIIG recommended termination of employment for a hospital employee who submitted false time records and left her work station for extended periods of time in violation of hospital personnel rules. We also recommended supervisory changes. Cook County Health and Hospitals System adopted our recommendation and has initiated disciplinary proceedings which are currently in progress.

IIG14-0053. The OIIG recommended that CCHHS pursue contract cancellation and disqualification and possibly pursue the imposition of fines in accordance with Section 6.7 of the HHS Supply Chain Management Procurement Policy (False Statements) for a prime contractor who violated the Minority and Women Owned Business Enterprises (M/WBE) provisions of the Cook County Code and CCHHS Procurement Policy. CCHHS still has not responded to our recommendations.

IIG14-0164. The OIIG recommended additional training after this office received information that a form of hate speech was written in a multipurpose room in an underground level of the Maywood Circuit Court complex used primarily by employees in the Department of Facilities Management. That recommendation was adopted and training was provided.

IIG14-0308. The OIIG recommended the imposition of discipline for a Bureau of Technology employee who admitted to allegations that he falsified his employment applications with Cook County on two occasions by falsely asserting that he possessed a high school diploma

and a college degree. The OIIG recommendation was adopted and the subject employee resigned before disciplinary proceedings were concluded.

IIG14-0382. After receiving a complaint that three employees in CCHHS were stealing diapers, milk and other inventory out of the supply rooms, the OIIG recommended that CCHHS implement an internal control system to assist in safeguarding the supplies. CCHHS still has not responded to our recommendation.

Activities Relating to Unlawful Political Discrimination

Political Contact Logs (PCLs)

In April of 2011, the Cook County implemented the requirement to file Political Contact Logs with the Office of the Independent Inspector General. The PCLs must be filed by any County employee who receives a 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 OIIG considers each PCL and acts within its authority to address each matter. From October 1, 2014 to December 31, 2014, the OIIG received 22 Political Contact Logs.

Post-SRO Complaint Investigations

During this reporting period, the OIIG received one additional Cook County *Shakman* Post-SRO Complaint and has issued two Post-SRO Summary Reports. Four Post-SRO Complaints are currently under active investigation.

Training

The OIIG collaborates 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 issues related to Unlawful Political Discrimination. The OIIG has been both monitoring and participating in the implementation of the training program. Additionally, within the Cook County Health and Hospital System, the OIIG continues to conduct UPD and Employment Plan training in conjunction with the HHS Employment Plan Officer with the goal of completing universal training of all HHS employees in the coming months.

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

Apart from the above PCL and Post-SRO activity, the OIIG has opened eight additional UPD related inquiries during the last reporting period based upon the exercise of our own discretion in accordance with the OIIG Ordinance.

Employment Plan – Do Not Hire Lists

During the last quarter, we have worked with the *Shakman* parties and related County departments to optimize Employment Plan provisions regarding Do Not Hire (DNH) lists and have collaborated with the BHR to establish Cook County's first DNH list itself.

OIIG Review per Employment Plans

In accordance with the terms of the Cook County, HHS and Forest Preserve District Employment Plans, the OIIG, inter alia, reviews (1) the hire of *Shakman* Exempt employees, (2) proposed changes to Exempt Lists, Actively Recruited lists, Employment Plans and Direct Appointment lists, and (3) FPD employment postings limited to internal candidates. In the last quarter, the OIIG has performed the following related functions:

1. Reviewed the hire of nine *Shakman* Exempt Cook County employees;
2. Reviewed the hire of four *Shakman* exempt FPD employees;
3. Reviewed the Direct Appointment of nine HHS employees;
4. Reviewed and issued the required OIIG approval, objection or comment regarding:
 - a. Four proposed changes to the Cook County Actively Recruited List;
 - b. 15 proposed amendments to the Cook County Exempt List;
 - c. 12 proposed changes to the HHS Direct Appointment List;
 - d. One proposed change to the HHS Employment Plan.

Monitoring

The OIIG continues to track all disciplinary activities in the FPD and conducts sample monitoring of these activities. Following the resignation of the FPD Director of Compliance in 2014, the OIIG has collaborated with the FPD and former District Compliance Administrator personnel to perform the functions of the Director position until such time as the FPD appoints a successor to this important position. Interviews are underway as of the date of this report. Additionally, the OIIG continues to track disciplinary activities and related grievances in Cook County including EAB proceedings. Finally, the OIIG has established an agreement with the Bureau of Human Resources that will position the OIIG to conduct both tracking and/or monitoring of all (and not merely select) hiring sequences in Cook County.

Miscellaneous

As you are aware, on August 21, 2014, the Cook County Circuit Court entered judgment in favor of the OIIG upholding the jurisdictional scope of the OIIG Ordinance in the matter of *Blanchard v. Berrios*, 2013 CH 14300 (Cir. Ct.). The Office of the Assessor has appealed the Circuit Court's judgment. The parties are currently briefing the issues in the Illinois Appellate Court.

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On October 8, 2014, in accordance with the provisions of Section 2-282(3) and (4) of the OIIG Ordinance, at the conclusion of my term as the Independent Inspector General, the Board of Commissioners acted pursuant to the request of the President to reappoint me to a subsequent term as the Independent Inspector General.

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

cc: Ms. Kimberly Foxx, Chief of Staff
Ms. Tasha Cruzat, Deputy Chief of Staff
Ms. Laura Lechowicz Felicione, Special Legal Counsel
Dr. John Jay Shannon, Chief Executive Officer, Health and Hospitals System
Ms. Elizabeth Reidy, General Counsel, Health and Hospitals System
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Mr. Arnold Randall, General Superintendent, Forest Preserve District
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